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Legislative Assembly of Ontario

LEGISLATIVE ASSEMBLY OF ONTARIO
1985

First Session, 33rd Parliament
Thursday, December 19, 1985
Evening Sitting

Speaker: Honourable H. A. Edighoffer
Clerk of the House: R. G. Lewis, QC

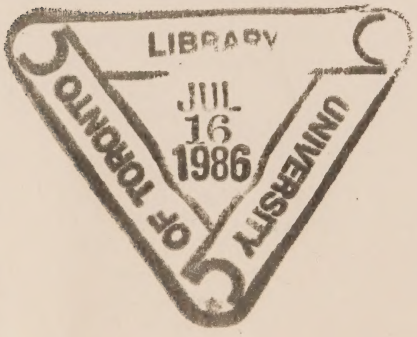
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CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, December 19, 1985

The House resumed at 8 p.m.

RESIDENTIAL TENANCIES AMENDMENT ACT (continued)

Resuming the debate on the motion for second reading of Bill 77, An Act to amend certain Acts respecting Residential Tenancies.

Mr. Speaker: Are there any other members wishing to participate in the debate? The member for Eglinton.

Mr. McFadden: I am very pleased to–

[Applause]

Mr. McFadden: The Christmas spirit must be reigning. Even the minister is applauding me tonight.

I am very pleased to have the opportunity to say a few brief words here tonight in connection with Bill 77.

Mr. Pierce: It should be noted that no members of the third party are here.

Mr. McFadden: I have been asked to note that no members of the New Democratic Party are with us here tonight. I do not know whether that indicates they are boycotting this debate or not supporting the bill. Those of us on this side are here in support.

Mr. D. R. Cooke: They have no interest in tenants.

Mr. McFadden: They have no interest in tenants, as the member for Kitchener says. Well said.

As I said at the outset, I am in full support of Bill 77. The only thing I would like to say, though, is that the delay in introducing this piece of legislation was extremely lengthy and bordered on the unconscionable.

Mr. Epp: We would not have had that delay if we had changed the government four years ago.

Mr. McFadden: As you will recall, Mr. Speaker, during the course of last spring the then Premier, the member for Muskoka (Mr. F. S. Miller), announced that the Progressive Conservative government of the day was to go ahead and introduce legislation that would have established a rental increase ceiling of four per cent.

The election took place. Then we had the current Premier (Mr. Peterson) in August state he would confirm the four per cent ceiling. Here we are, just before Christmas, and the Minister of Housing (Mr. Curling) introduces this piece of legislation right in the middle of the Christmas rush.

Mr. Warner: Hear, hear; the Christmas spirit.

Mr. McFadden: Perhaps to be charitable, as the member for Scarborough-Ellesmere said, it is all part of the Christmas spirit.

In view of the fact that this legislation was required and was supported not only by our party but by the Liberal Party, and we assume by the NDP, this bill could have been introduced in the fall and would have removed a tremendous uncertainty that existed out there among tenants. Over the last several months we have had untold numbers of telephone calls, in particular from the elderly, concerned to know what their rights are and whether the four per cent ceiling was or was not going to come in.

We assured everybody that we assumed the goverment was going to act and that we were urging the government to act. The delay in introducing this bill into the House has created tremendous anxiety among the people who need this legislation the most, namely, senior citizens and those on fixed incomes. I do not know the reason for the delay in bringing in the bill, but I think the delay was unconscionable in the circumstances that existed in Ontario up to now and in view of the all-party support for this piece of legislation.

In an ideal world we could go to a situation where the free market would prevail in rents. It has been a while since wage and price controls came off across this country and this province. Yet this sector, which is so important to our economy, the building industry and the accommodations industry, is subject to rent control. One of the main reasons for this is the lack of affordable accommodation across this province, particularly in the large urban centres.

There are many reasons for the lack of affordable rental accommodation. In recent years, we have suffered from high interest rates that acted as a tremendous depressant on the

building industry in total, let alone in the construction of rental accommodation. We have also had the factor of land prices, particularly in a city the size of Toronto.

Construction costs have shot up in recent years and have made it impossible to build buildings at a sufficiently low price to be able to afford to offer units at a low price that people on fixed incomes can afford. Rent control itself, according to the development industry, has also been a depressant in terms of the construction of new rental accommodation. Be that as it may, we have a shortage of rental accommodation at an affordable price in the Toronto area, Ottawa and other large municipalities.

One of the things it is fair to say about this whole area of rent control is that there are people living in controlled buildings who, by any standard, should not be entitled to any form of state support or state subsidy for their rent. We all probably know of people in the Toronto area or elsewhere who live in rent-controlled accommodation and who have a combined family income of $50,000, $60,0000 or $70,000 a year. It is hard to justify their rents being controlled. In many cases, their salaries are going up way in excess of the rate of inflation.

The concept and rationale behind the Residential Tenancies Act when it was introduced by the previous Progressive Conservative government, and which is supported by the current government, was the need to maintain a system of control in the rental area to take care of senior citizens and those on fixed incomes who, if they were forced to pay the going rate for apartments, would effectively be deprived of any form of housing.

In my riding, about 20 per cent of the population consists of senior citizens. A good part of those people could not afford to live in their current accommodation if rent control was removed. For many of these people, the rent, even as it is now, is a tremendous burden. I think of a number of high-rises in Eglinton riding where 50 to 60 per cent of the population consists of senior citizens. Probably half of them would be forced to vacate if their rents were doubled or tripled, as they might well be if rent controls were suddenly removed.

The four per cent ceiling is reasonable in the light of current rates of inflation, and the current system has to be maintained because it is an absolutely essential feature of social policy in this province. Having said that, I should say that in the long run, we must work towards a situation where the supply of housing of all types is sufficient so that market conditions keep prices down at a reasonable level.

Even if, at some future date, rent control was to be removed, and I cannot see that happening in the foreseeable future, we nevertheless might well have to maintain some form of state subsidy or some form of control on units occupied by senior citizens, single-parent families and those on fixed incomes.

8:10 p.m.

There is nothing more vital in our society and nothing more important to the average person than shelter. It is interesting to note that there is no control at all on increases in clothing costs, which obviously are vital to every person. Essentially, there is no control over food, which is equally vital to every person; yet we maintain a very rigid system of controls in pricing over rental accommodation.

Given the fact we do have a free enterprise economy, I think this is an area that is going to require very careful work in the years to come. Speaking for myself, I support the current legislation because it is essential for the people in society who need support the most. It is an essential part of the housing strategy that has been developed in this province over the past decade.

As the years pass, I hope we are going to be able to develop a system of housing and a confidence in the market that will allow us to create sufficient numbers of new affordable housing units so this kind of legislation may not be needed. However, given the current state, there is absolutely no doubt that it is needed, and I support it very strongly.

As I said at the outset, the only regret I have is that the amount of delay has created some very significant problems and some tremendous anxieties and concerns for a large number of people in our population, senior citizens and others, who are the people for whom we should least have been trying to create an air of uncertainty.

Mr. Gregory: I did want to have an opportunity to make a few comments on the initiatives the minister has shown with his new act, Bill 77, perhaps from a different perspective than has been heard. It might not be that much different, but it might be different.

I am one of those who happens to believe the best way to control the supply of rental housing for the general public is through free enterprise. This might be outdated. Perhaps from where the minister is sitting and from where his partners on the left are sitting, it is probably an outdated way of thinking. Perhaps I am regarded as a dinosaur

because of that. However, I happen to believe it is a fact. The way one provides–

Minister, if I may have your attention, I do want to speak to you rather than to the opposition in the third party here.

Mr. Breaugh: Why do you not try talking to the Speaker?

Mr. Gregory: I am talking to the Speaker and through the Speaker to the minister, but I would like to have his attention. I do not particularly care whether the member for Oshawa (Mr. Breaugh) listens, which he probably will not.

I happen to feel very strongly that the best way to solve the housing crisis in so far as rental accommodation is concerned is through private enterprise. I guess one could interpret from what I am saying–

Mr. McClellan: That is not what your critic said. Your critic hates developers.

Mr. Gregory: Who are you?

Mr. McClellan: Your Housing critic attacked developers.

Mr. Gregory: Do you want to let me finish?

Mr. McClellan: Read your critic's speech.

Mr. Speaker: Order.

Mr. Gregory: I imagined if the other party had a speaker, he would have stood up when I stood up, but he did not, therefore I had to assume they had nothing to say, which is probably the case.

I feel the proper way to solve the particular crisis we have is to encourage developers–

Mr. McClellan: Developers?

Mr. Gregory: I know, it is a naughty word; however, we should encourage them to build rental accommodation. I know in the minister's first bill in the House perhaps there is some excuse for the naiveté which he and his advisers have shown.

When one looks at this, what one finds is the majority of the initiatives lean towards rent-geared-to-income housing, public housing and this sort of thing. I am not against public housing or rent-geared-to-income housing; I do not oppose that at all. As a matter of fact, as a member of city council in Mississauga for many years, I was responsible for–not totally responsible for but I supported–rent-geared-to-income housing in my riding of Mississauga East. I do support it. However, it seems to me that the main thrust of this government's program is in rent-geared-to-income housing.

Mr. McClellan: Hear, hear.

Mr. Gregory: I hear "Hear, hear" from the opposition. If the third party had its way, we would have the same as they had in England and are now trying to get rid of, and that is council housing. That is exactly what they have.

Mr. McClellan: That is right. Let us hear it for Thatcherism. Here is a real Thatcherite right here.

Mr. Gregory: That is probably so. Probably there are a lot of people in this House who admire Mrs. Thatcher.

Mr. McClellan: I know the member for Mississauga East does, and that is what I admire in him. Too bad his colleagues do not agree.

Mr. Gregory: If we took a poll in this House, we would probably find more people who admire Margaret Thatcher than admire Neil Kinnock.

Mr. Speaker: What section of the bill is that on?

Mr. Gregory: Do members remember Neil Kinnock? I know I am responding to this member of the–what do they call those people over there?

Mr. Warner: Leaders.

Mr. Gregory: The little red rump over here is causing me trouble, Mr. Speaker. The Speaker will accept my apology for responding to the little red rump over here. I really wanted to talk to the minister.

Mr. Warner: No; the member should continue his attack on the tenants.

Mr. Gregory: I have not attacked a tenant yet tonight.

Mr. Warner: No, but he is about to.

Mr. Gregory: The member should wait for it. He might enjoy it.

Mr. Warner: That is what I said.

Mr. Gregory: He might enjoy it, but he should wait for it; he should not try to pre-empt me. Let me say it and then he can react to it.

I was in the process of saying that I feel there is room to consider the fact that before perhaps 1975, 1974, 1973–whatever–the developers and the private builders were doing a pretty fair job of providing rental accommodation for the people of Ontario.

Mr. McClellan: That was before rent control.

Mr. Gregory: What they are saying to me is that we brought in rent control, and we did. However, if we brought in rent control, why are they continually trying to take credit for it? I do not understand that. They all take credit for it and yet they blame us or say we brought it in. We did.

I realize that rent control had to be brought in at the time it was because there had been–

Mr. Warner: Because of us.

Mr. Breaugh: You never see Margaret Thatcher collapse like this. What a wimp.

Mr. Gregory: I love to get up and speak, because it gives them so much enjoyment. They really enjoy my speeches.

I did really want to talk to the minister about this, but apparently I am going to be interrupted by the red rump over here, which will never be anything but the red rump.

Anyway, in my particular riding, if I may become more parochial, we have always had–perhaps unlike other parts of the province; I do not know–a reasonable relationship with the development industry, the council, the housing authorities and what have you, and that relationship has worked rather successfully in providing rental accommodation. Odd though it may seem, out in Mississauga we do not tend to look at developers and say they are bad people. They are not bad simply because they want to make a profit. I do not think "profit" is an evil word. At least, on our side of the House it is not an evil word, and perhaps on the other side of the House it is not an evil word. Perhaps down to the left here it is an evil word, but I do not see that.

If those who believed in the profit motive in this House were all to vote together, it would leave the little red rump out in left field, because they do not seem to have any regard for the profit motive at all.

To get back to my subject, I want to speak to the principle of the bill. I certainly want to do that and I am going to attempt to do it, if I get around to it.

8:20 p.m.

The profit motive is not regarded as an evil thing in Mississauga. It is regarded as something that is necessary to provide, at least in the development business, the things people need; that is to say, rental accommodation, condominiums and rent-geared-to-income units.

What we all seem to have forgotten in this issue, in this wad of paper I have been given, is the single-family home owner. I did not see any reference in this package to the single-family home owner. Perhaps that is because the minister is taking the position that they do not count. They do. He might be surprised how many single-family home owners there are.

The whole thrust has been towards rental. That is fine, because the minister has a problem, but he is missing the point entirely. He cannot solve this problem by throwing money at it. The government has thrown some $500 million, most of it towards the rent-geared-to-income, non-profit type of thing.

Not all private developers are crooks, much as my friends to the left think they are. Many of them are public benefactors. They have to be motivated in such a way that they think they can build something and make a reasonable profit. First and foremost, they have to have some trust in their government.

The minister is flying on a pretty high plane right now. He thinks he has the development industry with him, but he does not. He has one or two spokesmen. He can get one or two spokesmen out of any group to say, "I represent this group." What the minister has are two or three people from the development industry who are jumping on the bandwagon. They are even putting on red ties and saying, "We support your program."

Some of the biggest apartment builders are not on his side; they do not agree with this. I can give the minister facts and figures from many of them who think this program is nothing more than a Band-Aid approach to the problem.

I am not in any way expressing opposition to the rent control program. However, the minister has gone too far. I do not see a problem. Our bill suggested that the rate of increase should be reduced to four per cent. That is fine, and I agree with that. I also do not have too much problem with the idea of now limiting increases on rents of more than $750 a month. That does not give me any problem either.

In many cases the minister is using a whitewash brush, because any increase in rent is not going to hurt a lot of the people who can afford to pay $750, although I know there are some people who are scraping to pay $750 a month and perhaps those people should have the benefit. The minister, however, is painting it all with a whitewash brush.

The one hope we had of keeping the development industry interested in building rental accommodation was the fact that nothing built after 1976 was going to be included in that. We had the chance of encouraging the development industry to build something. What the minister is attempting to do in this program, if this bill passes–and I see no reason why it will not–is to tell the development industry, "No matter what you do, we have got you."

Mr. McClellan: This province needs a good free enterprise party.

Mr. Gregory: I am trying to illustrate that. Why do the people to my left make their arguments and expect everybody to listen to them, but when somebody else is–

Mr. McClellan: Does the member's party not believe in free enterprise? I know deep down it believes in free enterprise.

Mr. Gregory: The member is doing what I am doing now; he is overtalking me. Why does he not listen to somebody else's argument? He may not agree with them and vote against them, but why does he not just shut up?

Mr. Speaker: Now on to Bill 77.

Mr. Gregory: I am on to it.

I am sure the members of the Liberal Party notice that when they have a point to make, these yahoos over here keep talking and yelling through it. When they talk, they get mad as hell if anybody tries to speak. They might not appreciate–

Interjection.

Mr. Gregory: I am on Bill 77, sir. Is it Bill 77 we are on?

Mr. Speaker: Yes; Bill 77.

Mr. Gregory: Thanks. I just wanted to bring myself up to date.

I do want to make these arguments, and I know my friend sitting in the back, the member for Mississauga North (Mr. Offer), is totally in agreement with what I am saying because I can see him smiling. Or is he laughing? I do not know.

At any rate, back to the bill. What I am saying to the minister is that he is missing the boat on this one. He could have included what he did; he could have reduced the increase to four per cent and he could have included everything over $750. However, his bad mistake was making it retroactive and including everything built since 1976, because anybody who has any thought of building a rental unit now will only build it with the outlook that he is going to be subject to these controls the minister has put on.

The minister may say that is fair and that these controls should be put on. However, I ask him to put himself in the position of a man who is going to invest several million dollars in constructing a building. He knows that if he builds it, he will be immediately subject to rent controls of this stringency. On the other hand, he knows he could put his money in the bank or in bonds and let it sit there and make more. What is he going to do? What will he do? I will tell him what he will not do: he will not build the rental units.

It seems to me the minister is putting his head in the sand in suggesting this looks good. It is a very populist move. He has more tenants than developers on his side. I understand that. I am a politician, and I know where he is coming from. He knows there are more tenants and they are going to stand up and applaud the Minister of Housing for doing something that benefits them. However, he is not doing anything for the good of Ontario. I tell the minister that in doing this he does not have the guts he should have.

Mr. Breaugh: We are getting close to imputing motives.

Mr. Gregory: I was not imputing; I stated it. I am not trying to insult the minister; I know he is doing his best in the ministry. If I insulted him, I apologize; I did not mean to do that. What I am insulting is the thrust of this bill. I think it misses the whole point.

I suppose the answer to the problem is that the government could step in and spend billions of dollars building nothing but rent-geared-to-income apartments. That would satisfy my socialist friends; they would love it. However, I am not sure it would satisfy the Treasurer (Mr. Nixon). The minister has to take a sort of halfway measure and he has not done it. He has missed the boat. He has to encourage responsible development in this province.

Hon. Ms. Caplan: Is it the Conservative Party's policy to vote against the bill?

Mr. Gregory: I say to the Chairman of Management Board that in the Conservative Party we have the right to speak our minds. We do have party policy, and I will support this bill because I do not have an alternative. Okay? I have to support this bill.

Mr. McClellan: No. He does not.

Mr. Breaugh: We noticed there were a lot of free thinkers there.

Mr. Gregory: However, I am awfully angry.

Hon. Ms. Caplan: Do not be angry. Just vote for the bill.

Interjections.

Mr. Gregory: Will my friends tell their partners in the little red rump over there to be quiet for a minute? I have not quite finished. If they tell them that the longer they keep this up the longer I might speak, it might shut them up.

Mr. Speaker, I do have the right to speak. I think I am addressing myself to the bill. I am having a difficult time with the fellows to my left.

Mr. Speaker: You should probably face the Speaker and address your remarks to the

Speaker, and disregard what is said in the other parts of the chamber.

8:30 p.m.

Mr. Gregory: I do not mind addressing myself through you, sir, but I want to speak to the minister. It is important that he hears what is being said and knows who is saying it to him.

I come from a little town called Mississauga, a little town of 330,000.

Interjection.

Mr. Gregory: The member can tell her story and I will tell mine.

It is a little town that has grown into a city. The wonderful region of Peel has the city of Mississauga, 330,000 strong. We have perhaps the largest development initiative in Ontario, and we have some of the most responsible developers in the province.

My colleague the member for Mississauga South (Mrs. Marland) will tell members, having sat on council, the responsible position the development industry takes in Mississauga. With this bill, the minister has cut them to the quick. He has taken away any hope they have of operating under a free enterprise system.

As I said to my friend the member for Bellwoods (Mr. McClellan), I am voting on this bill since I do not have any alternative.

Mr. McClellan: The member should be a man and stand up for his principles.

Mr. Gregory: I am doing that right now. I might vote against it. I do not know. It depends on the mood I am in.

Mr. McClellan: I admire a free thinker.

Mr. Gregory: Let me tell my friend that if I did vote against it, it would be understood in my party. However, if one of the members opposite tried to vote against it, I would like to see what would happen over there or what the people over there would do.

I recognize the problem we have in Ontario. We have a shortage of rental housing. There is no question about it. That is what this whole exercise is about: trying to do something about it. I do not think the government has done that. I think they have missed it. I think their retroactivity is going to totally destroy it.

I have responsible developers in my area, and I will name one of them, Ignat Kaneff of Kaneff Properties Ltd. My friend the member for Mississauga North will know the man. He attended a dinner I attended. My friend the member for Brampton (Mr. Callahan) was there as well. This man is not too happy about the way the government is handling things. He wants some freedom to be able to develop and build a responsible product, a good product–

Interjections.

Mr. Gregory: They never stop, do they? They just yap, yap, yap.

Mr. Speaker: Ignore them.

Mr. Gregory: That is what I am doing. I am ignoring them, but I am anxious to have this conversation with the minister because it is very important.

Perhaps the member for Mississauga North will have something to say later on. He has not had much to say on this subject lately. I notice that no Liberals have spoken, perhaps because they are trying the trained seal position. I notice when somebody says something good over there, they all go up like that, but they are not saying anything on this. I am sure among the rows over there some of them are not crazy about this bill; they might not say so, but they are not too pleased with it.

The minister is driving the nail into the coffin of apartment development in Ontario, notwithstanding my friend the member for Bellwoods, who would go to nothing but social development, rent-geared-to-income, nonprofit and all those things. There is room for them, but the minister cannot afford to get rid of the free enterprise development system in Ontario.

The ideal situation, as the minister has to admit, is to have enough rental apartments so we do not have to have controls. He said that very early in his career. He has had several position changes since that time, but very early in his political career he said rent controls will disappear when we have a proper supply. Is that fair enough? However, the other day he said rental controls are here to stay. I find his changes in position a little troublesome.

Notwithstanding that, I would think the minister would have to agree that if we had sufficient rental apartments, we would not need rent control. If we had a vacancy rate of five or 10 per cent, we would not need rent control. My friends from the left would want it anyway, but I would think the minister would agree that the marketplace would take care of itself.

The point I am making is that by doing what is being done here the government is totally destroying any chance of that happening. I understood the Liberals were supposed to be free enterprise people. I did not understand they were totally dedicated to the social housing idea for everybody. That is what this bill is doing; it is encouraging people to stay in their apartments because the rents are going to be controlled. The

government is encouraging people not to buy houses, telling them: "Stay in your apartments. Do not get out of them. Do not buy a house."

The government is doing nothing for the housing market. If it has, I would like to hear about it. I have not seen it. It is doing everything for rental. It is saying: "Stay in your apartment. Do not get out, no matter what. Do not venture out to buy a house. Even if you are making $50,000 a year, stay in your apartment and let the controls of four per cent stay on them. It does not matter if you are paying $1,500 a month for your apartment, let the four per cent take care of it. Do not go out and buy a house. Do not make room for somebody who would like or needs that apartment."

If the government thinks it is doing something progressive for the housing business, it is making a very sad mistake. I have to agree with the four per cent because that is in line with the inflation rate.

Mr. Breaugh: What a wimp.

Mr. Gregory: Somebody called me a wimp over there. He should not do that outside this House.

Mr. Breaugh I did it. I called the member a wimp.

Mr. Gregory: We will talk about it later. Okay?

Mr. D. R. Cooke: The member should tell us what legislation he would like.

Mr. Gregory: The member for Kitchener has asked me what legislation I would like. What I would like is precisely what the government has, except for the retroactive clause and except for including all those apartments that were specifically excluded when rent control came in initially, for the very purpose I am outlining, which was not to make people afraid of government or to mistrust government, but to encourage them so they could build something without being trapped.

It would have been very easy for the minister to have imposed the four per cent instead of the six per cent and to include those over $750 if he wanted to–I think that is a mistake, but if he wanted to do it, that is fine–but he went too far by making it retroactive; he totally discouraged anybody from building rental accommodation.

Mr. D. R. Cooke: How would that help the developer?

Mr. Gregory: It would help the developer by giving him some confidence in the government so he could say, "I can build and know I am not going to be trapped into this program." My friend from Waterloo does not agree with me, and that is fine. He has a right to his opinion, but I do not agree with him.

Interjection.

Mr. Gregory: I may not have any confidence, but I am talking to the minister. I am not interested in talking to the little red rump over here. They are a little strange.

Obviously, I have gone on long enough, because I have lost the interest of the members opposite–

[Applause]

Mr. Gregory: I got applause. I might go on for another half an hour or so.

Mr. Breaugh: This is a great speech.

Mr. Gregory: I am glad the member likes it. I am putting my best into this.

Mr. Breaugh: It is one of the best speeches of the 16th century.

8:40 p.m.

Mr. Gregory: Is that right? Back to Bill 77.

If I can get one point across to the minister, and I hope he will understand what I am saying, it is that I am not opposing the bill so much as I am criticizing one part of it. He has gone too far. I think he is right in reducing the rate of increase to four per cent. We felt the same way; it was our party policy. The minister knows that. He is correct in doing that. If he wants to include all those over $750 a month, that is fine. I believe we had something along the same lines in our policy. However, I think he is dead wrong in his retroactive position of including everything that was built.

The development industry did develop a bit of trust in government when there was a Conservative government. They knew those units were not included. However, the minister has taken that away from them for ever. If he thinks he is going to get the development industry to go headlong into building his 65,000 units or whatever he is projecting, if he wants that number of units, it had better be all rent-subsidized stuff because he is not going to get private industry to do it.

I do not care about the few of them he has appointed as their spokesmen, or they have appointed themselves. It is easy to get spokesmen. Anybody can stand up and say, "I speak for this group or that group." The minister has a few of them. As a matter of fact, he appointed one to his committee who is a self-proclaimed spokesman. If the minister feels he is going to be told that the development industry will buy this holus-bolus, fine; believe him. However, I think he is going to find that the development industry

is not going to build rental units. It is not going to do it.

Unfortunately, he is going to find out that this is true when it is too late. They are all going to build condominiums. I hope he knows the difference. There is a hell of a difference in the problems we have today.

The minister can accept that or not. It is my position; it is what I believe. I believe he has to encourage the development industry to do something on the basis that it can make a fair profit–not excessive profit, but fair profit. The minister has taken that away.

I regret that I have to support his amendment.

Mr. Timbrell: I am looking forward to the member for Oriole (Ms. Caplan) joining in the debate when I am finished, adding what she has to say about the interests of the people of Oriole, our neighbours to the north. Oriole is a constituency that is not very different from Don Mills, at least the northern half of the riding of Don Mills, in that I represent half the borough of East York as well.

Don Mills is probably a unique constituency as far as this debate is concerned in that Don Mills has had only two members of the Legislative Assembly since the riding was created in the redistribution of 1962-63, and both of those members have served as the minister responsible for housing.

My predecessor, the Honourable Stanley Randall, who represented Don Mills from 1963 to 1971, was the father of the Ontario Housing Corp. I can remember the numerous occasions when Stan has told me about the day he was called into the office of John Robarts, the Prime Minister of the province of the day. The purpose of the meeting was to discuss questions of housing in the province. Robarts said: "Stan, we have a problem of affordable housing. We have people out there who cannot afford their accommodation. Do something about it."

That was about 1964. By the time he retired in 1971 he had, under the auspices of the Ontario Housing Corp., seen to the construction of literally tens of thousands of units across the province.

Mr. McClellan: I think it was 60,000 units.

Mr. Timbrell: Something on that order. It is something of which he is immensely proud, as he should be. He is a man who contributed a lot to this Legislature and to the government of Ontario, and he is a man who, I am pleased to say, continues to contribute a lot to Canada.

Mr. Randall is 40 years my senior. When I took over from him in 1971, it was remarked at the nomination meeting that we were jumping a couple of generations. I was 24 when I was nominated and Stan had just celebrated his 64th birthday. He is 40 years my senior, which means he is in his 80th year, and yet he continues to go to his office every day and he continues to travel the globe looking for new ideas, promoting new ideas and trying to put together investment proposals, whether it be in microelectronics, intercity transit or whatever, and in the housing field.

It was a bit of a revelation to me, when I became Minister of Municipal Affairs and Housing and went through the various briefing meetings, to discover that fully 11 per cent of all the rental stock in Ontario today, 121,000 units, is subsidized by the government of Ontario and that our expenditures for those units run to approximately $1 million a day. That is not an inconsiderable contribution to the needs of the people of Ontario and it is something of which my predecessor Mr. Randall is proud and something of which I am proud.

If memory serves me correctly, in my constituency of Don Mills we have something in the order of 1,100 or 1,200 subsidized units in dedicated buildings or projects, and many hundreds more of what we euphemistically refer to as "scattered units." Between Mr. Randall's efforts and my own over the last 22, almost 23 years, we have attempted to address that problem.

Mr. McClellan: How many units did the member build when he was minister?

Mr. Timbrell: Unfortunately, I was minister–

Mr. McClellan: The answer is zero.

Mr. Timbrell: No, I regret to say that my honourable friend is quite mistaken. There were a number of projects, whether they were through Convert-to-Rent or various other programs in the ministry, that were approved in my time as minister. The member wants to live with that mythology, he wants to keep trading on that, and I am not going to try to dissuade him.

Interjections.

Mr. Timbrell: I have known the member for 10 years and he is no more impressed with facts today than he was when he came into this place 10 years ago. I have given up on him. He is a lost soul.

Mr. McClellan: On a point of order, Mr. Speaker: With the minister's permission, may I ask him a question?

Interjections.

Mr. McClellan: I am sorry, I mean the former Minister of Municipal Affairs and Housing. With his permission, I would like to ask him a question. It is up to him, of course.

The Acting Speaker (Mr. Morin): It is up to the honourable member to accept.

Mr. Timbrell: I will be happy to listen to the question and then I will decide if I am going to answer it.

Mr. McClellan: I would like to ask the former minister how many subsidized housing units were constructed during his tenure, as opposed to the more than 60,000 that were constructed during the tenure of his predecessor, the Honourable Mr. Randall?

Mr. Timbrell: I will be happy, just as the present government would do, to look up those figures to determine from February 8, 1985, to June 26, 1985, how many projects were approved under various programs and how many projects were under way and approved by my predecessor the member for Ottawa South (Mr. Bennett)–in my four and a half months, as compared to the seven years that my predecessor from Don Mills was the minister responsible for the Ontario Housing Corp.

The Acting Speaker: I will now ask the member to continue his debate on Bill 77.

Mr. Timbrell: I will be happy to. It will be interesting to compare, and I think I am going to do it, the number of projects and units approved and under way in that four-month period to what has happened since I left the minstry a little over five months ago.

Hon. Mr. Curling: Look at this document.

Mr. Timbrell: Not that smokescreen. I will come to that; if not tonight, certainly in 1986. My friend, that is nothing but a smokescreen. It made great headlines. Maybe some day I will give the minister access to what I learn. If he goes back to the proposals I was working up in the spring of this year as Minister of Municipal Affairs and Housing, there is nothing new. I am sorry, there is something new, and we will come to that.

8:50 p.m.

I am keenly aware of the importance of the housing issue because of the nature of my constituency. Almost 60 per cent of my constituents are tenants and about 20 per cent of the residences in my constituency are condominium units. I probably have the greatest concentration of condominium units of any constituency in the province and a great number of those are rented out.

Close to two thirds of my constituents are tenants, whether it be in rental buildings or in these scattered units, condominiums and single-family houses. I am keenly aware of that from the background I have described with my predecessor Mr. Randall and my own brief experience as Minister of Municipal Affairs and Housing.

Before I go any further, I should congratulate the member for Scarborough North (Mr. Curling) on his appointment. I found it a little interesting that when we changed governments it took three ministers to replace me on the opposite side, for the four portfolios I was carrying at the time. The member for Scarborough North, the member for St. David (Mr. Scott) and the member for Ottawa East (Mr. Grandmaître) picked up the load I was carrying at that time. I may come back to that at a future point as well.

Against that backdrop, I am aware that the issues are very much matters of supply and affordability. As my colleagues have said and as I will repeat, we will be supporting Bill 77 in as much as Bill 77 is enacting policy proposals which for the most part were announced by the former member for London South, who was then Minister of Consumer and Commercial Relations, and myself in my capacity as Minister of Municipal Affairs and Housing.

I want to talk about this bill against the two criteria of supply and affordability; what this bill and the minister's other initiatives are going to do. With respect to supply, it is very clear that in his extensive discussions with the development industry over the course of the past four or five months, from what the developers had to say with respect to the minister's announcement on Monday, he has created a certain expectation among them that they feel, if it is met, it will lead to significant increases in supply.

This document the minister tabled on Monday is not going to answer the supply problem. It is not even going to keep up with current demands. If we built nothing more than what is described in this document, which he calls Assured Housing for Ontario, we would, year after year, whether it be with respect to subsidized housing, housing for seniors, housing for singles–and they are not mentioned here at all–or housing of various forms for the private rental and purchase market, we would fall further and further behind.

Surely I do not have to tell the Minister of Housing how seriously low vacancy rates are at this time. In some municipalities–

Mr. Polsinelli: Surely that is something of an indictment of the previous government.

Mr. Timbrell: The member for Yorkview represents one of the most concentrated apartment communities in Canada, if not North America. I am looking forward to what he has to say this evening with respect to Bill 77, or even more particularly to what he has to say to Bill 78 some time early in 1986 as it relates to the thousands of young people in the Jane-Finch corridor who before very long are going to want their own rental accommodation.

The member is going to have to answer to them when they want to know where they are going to find accommodation and how they are going to be able to afford it. That comes back to the two points: supply and affordability.

The expectation the minister has developed is outlined very clearly in the letter which four gentlemen, Messrs. Bassel, Goering, Griesdorf and Grenier, sent to the Premier a week ago Monday. I hope the Premier has shared a copy of that letter with the minister.

In that letter, they say, "We are encouraged by the government's commitment to allow units whose rents are chronically depressed to move up to average market levels of controlled units within their market area."

The minister knows very well, as we all know very well, the common complaint of landlords large and small, particularly small, in recent years has been that they have been losing money on the buildings. As some of them would put it, they have been subsidizing some of their tenants. Therefore, the rents on those units and on those buildings has become chronically depressed.

I will not take the time of the House, unless I am provoked, to read the whole of the letter into the record. I might add there are some very flattering things said at the beginning of the letter about the minister and the process. I am sure that makes him feel very good and I hope that in three or four months' time he will feel just as good about it.

I hope they will feel just as good about it. These are four of the principal spokesmen for the industry. These are four of the principal leaders of the–what is the proper name?–Fair Rental Policy Organization or something to that effect.

Very clearly, their expectation is that the incentive for them to build more rental housing in the future than is currently intended, more than would be built with the various subsidies outlined in this paper, will be that through various criteria and various formulae which he has only alluded to in almost a passing way in recent days, which has not been picked up by his bed partners, through those criteria, those formulae and those guidelines which they are clearly expecting from the minister from the hours and hours of discussions which have gone on–and these are not always within the Ministry of Housing, I might add; a lot of them are in the corner offices; a lot of them are in the office of the Attorney General (Mr. Scott), who I understand is the minister responsible for the Minister of Housing and the ministry.

Elinor cannot help; do not listen to her.

Hon. Ms. Caplan: Keep talking.

Mr. Timbrell: I intend to; do not worry.

They very clearly understand their incentive is going to be that on those buildings which they own and which were built prior to 1976, the minister is going to allow them to collect much higher rent one way or another.

There is a surprise somewhere in this bill. The surprise is either going to be for the tenants of the pre-1976 buildings who think the minister is limiting their rent increases to four per cent–let us face it, we know that four per cent is the trigger point for hearings; we know that in any given year, landlords who have gone to the board have got–what was it last year?–an average of about 11 or 12 per cent or something like that when the guideline was six per cent. We know that. However, the public expectation is four per cent, which is the norm.

Hon. Ms. Caplan: Under whose policy? Whose policy was that?

Mr. Timbrell: I will tell my friend something. We will monitor this, and she may be sure we will monitor this, month by month, six-month by six-month period. We are going to monitor it very carefully.

Either the tenants are in for a surprise with very much higher rent increases than the four per cent they are anticipating because of this bill or the landlords–the property owners, the developers; I do not care what they are called–are in for a surprise. Their surprise may well be that they have been sucked in. In point of fact, their expectations–and these are not my words; these are their words–

Mr. McClellan: Who wrote their words? Did George write those words?

Mr. Timbrell: These words were authored and attested to by four worthy private citizens who are major builders of rental accommodation in this province.

Mr. McClellan: I hope it was not your campaign manager who wrote them.

9 p.m.

Mr. Timbrell: Ruth Archibald, no; neither was it Charlie Gill, come to think of it. There is a surprise here; there is a surprise coming. It is not going to happen in a month's time and it is not going to happen in two months' time. However, I suspect that by spring–"soon," as the minister likes to say–it is going to be clear who is to be the recipient of this great surprise. Will it be the tenants? We have 1.1 million rental units in Ontario today. Were 750,000 or 800,000 constructed before 1975? I am looking to the officials under the gallery to nod aye or nay. I suspect it is something in the order of 750,000 to 800,000 rental units that were constructed before 1975. It may be more than that.

Perhaps they have a big surprise coming the next time their rent increase applications are heard, not in a hearing but by a bureaucrat who is working to some new guidelines and new criteria and a very public commitment. However, I think there may be a much more specific commitment given, if not by the minister then by people who may not even have told him. I do not know what Hershell has told him. I do not know what John has told him. I do not know what some of these other people who have been brought in from Ottawa and other points unknown have told him.

I do know from this letter and from conversations I have had face to face with representatives of the development industry–

Interjections.

Mr. Timbrell: I say to the minister not to get paranoid. When I was Minister of Health they taught me the expression, "Just because you are paranoid does not mean they are not after you." I urge the minister not to get paranoid.

Many of those tenants may well know by spring that the surprise in all this is for them. I do not know at what point his colleagues to my left, philosophically and geographically, will become aware of it, but we will soon hear from them. Alternatively, it may be the building industry that will find the surprise is for it. Many of them think this is their last gamble with government. As I said during our party's recent leadership campaign, the building industry, to use the broader term, does not have any time for any politicians any more. They are fed up with the whole lot of us. It is sort of a pox on all your houses.

They may be the ones, but it is going to be one or the other. The tenants of the pre-1976 buildings or the builders are going to find by spring that their expectations are dashed totally.

Mr. McClellan: Guess who it is going to be?

Mr. Timbrell: I know.

Here is the problem, one I have had with the issue all these years. It is always put in terms of the tenants or the builders. I have never looked at it in those terms. I have always felt, and I continue to believe–I said as much during our party's recent campaign–that a competitive rental marketplace, with vacancy rates very much higher than those that plague us today in every major urban centre in Ontario, save perhaps Sudbury–I guess Sudbury has a fairly high vacancy rate right now. What is it? Three or four per cent or thereabouts? It is very much the exception.

I have always believed that competitive vacancy rates and a competitive marketplace were as much in the interests of the tenants as of the landlords and the builders. Why is that? It is very simple. Tenants have a greater variety of choices available to them. The fact that vacancies far exceed demand keeps the rents down. When we get to two to three per cent vacancies, there is quite a gap above demand.

I can remember when I moved to Don Mills in the mid to late 1960s, we had a competitive rental marketplace with a 2.5 per cent to three per cent vacancy rate. In those days it was very common in my constituency and in that of the minister's colleague, the member for Oriole, for landlords to offer one or two months' free rent, free broadloom, free drapes, additional appliances–whatever–just to get the tenant, because it was a competitive rental marketplace.

That is in the interests of tenants. It is in the interests of the young people in the Jane-Finch corridor, for whom the member for Yorkview (Mr. Polsinelli) refuses to speak in this debate, for whatever reason I do not know. When they look to the future, they must have choices. I do not mean choices far removed from where their families are now or from the places of employment they will have, we hope, if the Futures program has a future past the first year. I am talking about choices within the community of Metropolitan Toronto, within the community of North York, Canada's fourth-largest or fifth-largest city. Can the member for Oriole help me?

Hon. Ms. Caplan: Fourth.

Mr. Timbrell: Who is fifth?

Hon. Ms. Caplan: Winnipeg.

Mr. Timbrell: No; anyway, it does not matter. I will be very interested to see how this unfolds. I intend to participate at greater length when we come to Bill 78 early in the new year.

I want to conclude by making it clear, if I have not already made it clear, that I support retaining the present rent review system. However, as I

have said as Minister of Housing and as the member for Don Mills for years–and I remind members of the heavy concentration of tenants in that constituency–I do not support making rent review and controls permanent to infinity. There has to be a better way.

In my very brief time as Minister of Housing I had started a process to find, I hoped, a better way–to be sure, to maintain the present system, to maintain the present protection–to work towards the re-establishment of a competitive rental marketplace and to encourage the construction of more, not less, rental housing and affordable starter housing.

During the recent election campaign, I was canvassing one day in the apartments at the northwest corner of Victoria Park Avenue and Eglinton Avenue, an apartment development, by the way–I think there are four buildings there–that was constructed after the 1981 election because of one of our government's rental supply programs of noninterest-bearing second-mortgage loans.

I happened to run into a canvasser for the New Democratic Party. I recognized her. If one has knocked on the doors in that constituency as many times as I have, one tends to know the opposition. I recognized her, so I gave her one of my brochures and she gave me one of hers.

This single-page, mimeographed, 8.5-by-11 sheet of paper from the New Democratic Party was a paraphrase–not a quote, a paraphrase–of something I had said in the January 1985 leadership campaign, the first of our semiannual campaigns, the obvious intention of which was to lead my constituents to believe–and as far as I know, this was distributed to every one of the 15,000 rental units in the riding–I wanted to abolish controls the next day, that they had to go the next day.

Clearly, either my constituents have an awful lot of faith in me–and I have been very gratified by their support over the years, including on May 2, when they still delivered 51 per cent of their support to me–or they have the NDP's number. I suspect it is a combination of both.

That is not what I said; that is not what I am saying here tonight. I say by all means keep the present system, maintain the protection. But for God's sake, do members in either of those parties not realize–

9:10 p.m.

Mr. McClellan: What did the member tell Landlords Against Rent Control?

Mr. Timbrell: Oh, no. I have said in private and in public exactly what I am saying here tonight.

Mr. McClellan: Are they misquoting the member?

Mr. Timbrell: There is no difference. I made it very clear, and I make it clear here tonight, that my preference would certainly be to see us arrive at a day–and I do not know whether it can be accomplished in five years or in 10 years, whatever it is going to take; we have been in controls now for 10 years–when we no longer needed controls; a day when, through other creative endeavours, we had done so much to encourage building, the creation of jobs in construction and the creation of jobs in the industries that supply the building materials and those things that are needed to furnish new accommodations that the controls, the bureaucracy and the expense to the public purse would become redundant.

We would arrive at a day when the Minister of Housing would rise in this House and say, "I move, with pleasure, Bill 1 to abolish the Residential Tenancy Commission because it is no longer needed." That would be my preference, and I have been very clear on that for 10 years.

On May 2, out of approximately 120 apartment polls in Don Mills–and the New Democrats tried hard; they try hard every time in Don Mills, and they damn near won the riding once, in 1967–I think I lost five, even against the campaign the New Democrats waged using a brochure deliberately misquoting me.

Mr. Breaugh: You would not do that.

Mr. Timbrell: No, I would not, as a matter of fact. I have got–oh, never mind.

We will be supporting this bill in principle.

Mr. McClellan: When the Conservatives are down to one seat, it will be Don Mills.

Mr. Timbrell: I can remember the day I was sworn in as a minister just down that hall in February 1974, and a gentleman who is now the press secretary to the leader of the New Democratic Party came up to me. He was then a reporter for the Globe and Mail, and he let his guard down. He betrayed his partisan bias and said to me, "How does it feel to be a member of the last Tory cabinet in Ontario?" That was February 1974, and I was made minister for youth. I went on to seven more portfolios and 11.5 years–

Mr. McClellan: Our press secretary was only 12 years old then.

Mr. Timbrell: Peter Mosher?

Mr. McClellan: He is not our press secretary.

Mr. Timbrell: Oh, I thought that was his title. Peter Mosher, anyway. I went on for 11.5 years longer as a minister in the Davis and Miller administrations.

Mr. McClellan: No. I am saying that the member for Don Mills will be there forever, but he will be the last one.

Mr. Timbrell: Oh, I see. Are the New Democrats going to give me an acclamation next time? I already have two former NDP opponents in Don Mills working for me and a former Liberal opponent; so a few more will not hurt.

One should not count this party out, not by any means. With the recent change in leadership, they say that if one happened to be–

Oh, the member for Bellwoods was there.

The Deputy Speaker: Order. Might I ask the member to get back to the bill?

Mr. Timbrell: All right. We will talk about that another time.

Before I was interrupted, I was saying we do support the principle of the bill. We are going to monitor it very carefully–this bill, its companion legislation and the minister's program–because, unless I miss my bet, as I said earlier at some length, there is a big surprise here for somebody, either the tenants or the development industry. However, either way we are not going to have enough housing to meet demand. Not enough is provided for in the minister's program and not enough will be added to it by the private sector. We are not going to have enough affordable housing, whether it be for seniors or for those of limited or low income.

I know the minister has done a study, or that somebody has caused a study to be done, on the possibility of a universal rent supplement program. When the minister rises tonight, I would like him to give me–the minister should not worry. This was not a leak from his ministry; word gets around. They are safe. I know them. They are all very reputable people of sterling character. One of them used to work for me in the Ministry of Energy almost 11 years ago.

I know somebody over there has caused such a study to be done. When the minister rises tonight, I would like him to give me and this House an absolute, firm, unequivocal commitment that study will be released and laid on that table tomorrow, so that we can all take a look at it over the course of Christmas and New Year's.

Hon. Mr. Kerrio: You never gave as firm commitment in 42 years. Why are you asking us now? That is ridiculous and you know it. Come on!

The Deputy Speaker: Order, the member for Niagara Falls.

Hon. Mr. Kerrio: You are right, Mr. Speaker.

Mr. Timbrell: It is nice to see the Minister of Natural Resources joining us. As on all other occasions, he has thrown in totally inconsequential non sequiturs, unrelated whatesoever to the subject at hand. They are non sequiturs and inconsequential remarks, which I swear he carries in his left pocket so he can throw them into any debate when he senses that one of his colleagues, his party or his government is not doing well.

Hon. Mr. Kerrio: I am one of the people in this country who allow you to exist. That is where I come from. Without people such as me you would not be there. You would wither on the vine.

The Deputy Speaker: Order, the member for Niagara Falls.

Mr. Timbrell: It sounds like the member has withered on some vine or the product of some vine tonight.

We will watch and listen carefully. The minister has got off to a very bad start. I do not fault him for that. I know he is new to the ministry. He has got off to a very bad start. Let us not try to–

Hon. Mr. Nixon: Are you kidding? That legislation is world class.

Mr. Timbrell: I was going to stop, but the member provokes me. The fact is on that June 26 the minister was asked about his government's policy on rent review. He said he would have to look it up. He did not know what it was. He had gone through a campaign in the constituency of Scarborough North, which probably does not have as high a percentage of tenants as I have, but has a very high percentage of tenants, and he did not even know the policy.

Then all through the fall he was telling us variously that rent review could be gone in–what was it?–three years; at one point he said one year and on another occasion–

Mr. D. S. Cooke: You were asked tonight how many units you built and you do not know what you did.

Mr. Timbrell: I have been absolutely consistent in my position, and my constituents are well aware of it.

All through the fall we were being told it could be gone, I think he said in one year at one point and in three years at another. Was it at Kitchener or London he talked? I think it was in London on

September 29 that he talked to the London Free Press and gave them–

Mr. McClellan: At what time?

Mr. Timbrell: At what time? I am not sure. I would have to look it up.

He said that somewhere down the road he could foresee the day of no controls. All through the fall, we kept saying, "When will your policy come forward?" I went through the litany yesterday in his absence. He has said, "soon" or "very shortly." One day, good Lord, he said, "soon" or "very soon" four times in answers to questions, only to come up with this policy on Monday, the details of which he could not even recall on Tuesday when he was asked about it; that was very clear from the questions.

I sympathize with my friend. I was a tyro minister once myself, but the honeymoon is over. He now has drawn the line.

Hon. Mr. Kerrio: With 68 per cent in the Decima poll, you do not have to feel sorry for us at all. You guys are dead.

The Deputy Speaker: Order. Will the member for Niagara Falls please be quiet and let the speaker speak.

9:20 p.m.

Mr. Timbrell: I remember discussing with some of my colleagues early in 1985 how great the polls looked, and I hope the minister does not put any more faith in them than we should have.

The minister has drawn the line. He has said, "Here are my legislative proposals and here are my policy proposals." Based on these, I am sure we are going to see a spate of speeches, press releases, newsletters and Lord knows what else. Maclaren Advertising, Vickers and Benson and others are going to advise his caucus and his party what to do over the course of the next month or two on this issue.

We are going to see a spate of things indicating the government has solved the housing crisis in Ontario. However, the government has not. The longer this accord goes on and on, if it honours its word to those people–which I do not think it will–it is going to become clearer and clearer that not only has it not solved the current housing dilemma in Ontario but it has made it much worse.

Hon. Ms. Caplan: I will speak very briefly to this. I want to respond to some of the comments I heard from the member for Don Mills who, it is true, has a riding that is very similar to the riding of Oriole. The riding of Oriole has a dense population, particularly in the area around the Peanut. Fifty per cent of the population is tenants.

Mr. Timbrell: On a point of order, Mr. Speaker: I do not think it is very fair, charitable or gratuitous in the least for the Chairman of Management Board of Cabinet to refer to those people who saw fit to send her here on May 2 as dense.

The Deputy Speaker: That is not a proper point of order.

Hon. Ms. Caplan: The density in the riding of Oriole, particularly around the Peanut, is one of the highest. It has been compared, rather unfavourably, to the density in Hong Kong. When I speak to the members of this House, it is with a knowledge and understanding of the problems of tenants living in an area that is so dense.

The point I make this evening is that I heard some very conflicting remarks from the member for Don Mills. It is important to clarify what I heard so the goals of the housing proposals and the rent review package which the Minister of Housing has placed before this House will be clear.

I represent a heavily populated riding, 50 per cent of which is populated by tenants who have grave concerns not only with affordability and supply but also with security for tenant protection and the ability to know their homes are secure. What I heard from the member for Don Mills would create fear in the constituents whom I represent. He has suggested that tenant protection is not a priority.

Tenant protection is and must be a priority for this government because of the very critical state left by the previous administration in this province. The proposals by the Minister of Housing will offer tenants greater protection than that available under the previous administration and greater choice because of the supply.

Our Minister of Housing consulted widely in an effort never before undertaken by the previous administration. That is the reason we have had a response from both the tenant leadership and the development community. Following this kind of consultation, they say, "This is the foundation of a firm housing policy for this province which will result in greater tenant protection and in the opportunity for the development industry to have some security in the future and to develop the confidence that is necessary to produce the housing we so badly need in this province."

On behalf of my constituents, I say this bill is eminently supportable because it will achieve what the people have asked for; that is, fair and

equitable treatment for tenants. It will ensure that those in need, those who have a problem, will be heard. I believe we have established a streamlined administrative process which will result in the equitable and fair treatment that people demand from their government.

The ceiling of four per cent was an election commitment. The five per cent cap on pass-through financing costs is being extended to all tenants in this province. No longer will there be discrimination against tenants who happen to live in buildings that were built after 1975. That was our commitment, and we have lived up to that commitment to ensure that all tenants are treated fairly and equitably in this province.

I support this legislation. It is long overdue and it lays the foundation for what I believe will be a sound housing policy for Ontario.

Hon. Mr. Curling: This is my first debate, or response to any debate, so it is with great honour that I stand to address my colleagues. I am tempted to respond to the comments I heard. Tempted as I may be, however, I will reserve my response to most of the comments, which were irrelevant to Bill 77.

I had thought my colleagues would address the relevant issues. Perhaps they did not because of anxiety over the very stimulating policy I have presented. I am anxious to address all the concerns the members may have in the coming year. I had hoped the member for Don Mills would have had the bill in his hand to realize what the issues are and what subjects he was addressing.

I will address one aspect of the problem. Somehow rent review has become such an ugly term for them all, especially for my colleagues across the chamber from the previous administration. We would like to emphasize that rent review is security of tenure for tenants, a protection. It is also a policy that will treat them more fairly. That in itself will be a continuous process as long as our government, and our party, is in power, for at least two years, I presume.

9:30 p.m.

There is nothing wrong with rent review. All the quotations that members may go about saying I have said will be properly addressed later on, when we can come to that. I want to continue to address the portion of the bill that is being presented. It is indicative of the thrust of this comprehensive policy that we have the support of the New Democratic Party and the Progressive Conservative Party and that we have the landlords' and the tenants' support.

There is basically the thrust that what we have presented as a policy is fair. People can identify with justice and fairness, and that is all it is. There is no hidden deal about it all. We told them it is four per cent. We also told them up front that we will put the controls on units that are being rented for $750 and more. We told them up front that pre-1976 buildings will also have the four per cent. There is no hidden agenda.

Perhaps the member for Don Mills got his brown paper bag confused. He is trying to present some letter he has there. It is because of his visit to Jamaica, I gather. I am sure he had a good time in my home country.

Mr. Timbrell: I was in Falmouth.

Hon. Mr. Curling: He was in Falmouth, a lovely place.

Maybe the other brown paper bag is coming through with the real letter that he would like to present. Whenever he would like to present it–

Mr. Timbrell: On a point of order, Mr. Speaker: I do not mean to change the minister's euphoric face, but he is trying to impute motives and say that I have alluded to a false document. I will be happy to provide him with a copy of this, because it bears copies of the actual signatures of the four gentlemen to whom I have referred. The letter did not come in a brown paper envelope from his ministry or any other source of the government; it was given to me by someone who was authorized to do so by the four gentlemen in question.

Hon. Mr. Curling: I did not allege that it is wrong. I said the member has one letter and maybe I could present another. Again, that is not the relevant matter now. I will, as I said, relevantly address the bill as I hoped his colleagues would have done.

There is no hidden deal here; I want to stress that. Maybe there is a hidden agenda. I confess to their being a hidden agenda. The hidden agenda is called consultation. The hidden agenda means to get together with the landlords and the tenants, talk out these problems, lay it out on the table and ask them to assist us in bringing about affordable rental units to the people of Ontario. There is no magic about that at all.

I know the members opposite may feel it is some sort of wand I am waving, some mystic thing, but it is not that all. It is not too late for that party over there to start speaking to people; they might learn something about how to resolve problems.

I do not intend to take the time of the House to elaborate on the points that were made, because I will be prepared at the relevant time to address

the concerns he has raised. The member for Don Mills has indicated he is supporting Bill 77, and my colleagues are prepared to support Bill 77. I will not waste the time of the House since we are all in agreement.

Motion agreed to.

Bill ordered for third reading.

LEGISLATIVE ASSEMBLY AMENDMENT ACT

Hon. Mr. Nixon moved second reading of Bill 88, An Act to amend the Legislative Assembly Act.

Hon. Mr. Nixon: Members may recall that in introducing this bill, I referred to the fact that it will increase the legislative pay and allowances across the board by 3.4 per cent.

Mr. Timbrell: It is 3.9 per cent.

Hon. Mr. Nixon: It is 3.9 per cent; 3.4 was another number that was in my mind.

Hon. Ms. Caplan: That was just to see if members were paying attention.

Hon. Mr. Nixon: I thought members might like to consider that increase along with the two per cent increase–or four per cent, if they wish to think of it that way–in personal income tax and the three per cent surcharge we voted in favour of a few days ago so enthusiastically.

Mr. Timbrell: It will come as no surprise that after careful deliberation and very lengthy consideration of this bill–as I am fumbling with my Christmas cards–my colleagues and I in this caucus have concluded we will support the proposal.

It is late. I know the increase for members must be consistent with other increases in government spending and with increases being allowed for various sectors of the public service, but I do hope that at some point we will be able to move out of this chamber, and the one down the hall, the whole process of the calculation of the worth, whatever that is, of a–

Mr. Warner: What a difference when one is not in government.

Mr. Timbrell: I have sat at that other table down the hall many times over the years to deal with this issue, and it is no more fun there than it is sitting at the caucus tables to deal with it, knowing full well what the reaction of the public is every time these damned politicians go back to the trough.

Let us be honest with ourselves: That is exactly the way we are perceived, whether it is a one per cent increase or whatever. I can remember the year we took a five per cent cut. When was that? In 1975? Members of the cabinet and even the then Leader of the Opposition, I think, took a cut. It was a big bump, but it did not make one whit of difference; nobody noticed.

Hon. Mr. Nixon: My wife did.

Mr. Timbrell: I did not have one at the time.

Hon. Mr. Nixon: Mine did.

Mr. Timbrell: She did? My sympathies.

I hope we can move the whole process out of here to an independent body. It is unfortunate in a way that the Commission on Election Contributions and Expenses came in with as high a figure as it did, or that it did not come in with some kind of staging proposal; because even I gulped, as I am sure we all did, when the report was laid on my desk. When was that? May or June?

Mr. Warner: It was a good report.

Mr. Timbrell: It may have been a good report, but the member and I both know as politicians that it would not wash in Scarborough-Ellesmere or in Don Mills, two other neighbouring constituencies. I am surrounded by those people to the north. That has happened before. Oh, never mind; I will not get into that. We will clean that up next time.

I hope the Treasurer (Mr. Nixon) will seriously consider, and perhaps we could discuss this at some future meeting of the House leaders and the whips, whether it is not possible to move this whole darned thing right out of this chamber to some independent body that has the authority to review, comment and decide.

Hon. Mr. Nixon: Perhaps the provincial court judges.

9:40 p.m.

Mr. Timbrell: Does the Treasurer want to start that? Does he want to reopen that?

I remember once reading a comment by a western Canadian political wag who said he knew what a statesman was–it was a dead politician–and that what this country needed was more statesmen. I know full well that this is the way people perceive us, and there is no magic way for us to do it and have it well received by the public. I urge the Treasurer to think seriously about moving the thing to heck out of here so that we do not go through this any more.

Mr. McClellan: The bill before us to raise our salaries by 3.9 per cent is part of a package of three bills. The second bill will raise the salaries of the executive council and the final bill will change our retirement pension provisions.

I want to comment on behalf of the New Democratic Party that we will be supporting the

legislation the Treasurer has put forward. However, I want to say a few things about this bill and about the way our salaries are set.

On June 5, 1985, the Commission on Election Contributions and Expenses made its report recommending an adjustment of the base of the members' salaries to $40,000. Now $40,000 may be–I have forgotten the word my colleague the member for Don Mills (Mr. Timbrell) used; I think he said he was astounded.

Mr. O'Connor: He gulped.

Mr. McClellan: He gulped. It still would just get us into the public accounts book. I hope this is the last time we use this procedure to determine the salaries of the Legislative Assembly.

The commission report was sent to the standing committee on members' services for its recommendations. The committee recommended to the Board of Internal Economy that it support the recommendations of the commission. The board did not support the recommendations of the members' services committee or of the election expenses commission with respect to the basic salary. I think that is too bad.

On behalf of my colleagues in the New Democratic Party, I am instructed to say that we wish the government had accepted the recommendations of the commission because we feel they were fair, just and sensible. I agree completely with my colleague the member for Don Mills when he says that we need to remove this task from the assembly and from the cabinet.

I have made a suggestion to the Board of Internal Economy that I will repeat again tonight. The election expenses commission should be given the power to make its report and to send it to the Speaker, whereupon it would automatically be turned into a bill to be presented by a minister to the assembly in exactly the same way as the Ontario Electoral Boundaries Commission is empowered to proceed with its final report.

The cabinet would have the right to veto it, but the procedure would be that when the commission made its report, it would go to Mr. Speaker. It would then be drafted as a bill and would automatically come to the assembly. I think that is a good proposal. At least, I hope it can be the basis of discussion in the future.

I also want to say that we are pleased to see the reform in severance pay and pensions. We feel it is long overdue and we welcome this initiative by the government.

However, we hope this is the last time we have to deal with the difficult question of members' salaries in this wholly inadequate and basically unfair way.

Mr. Lupusella: I am pleased to speak on Bill 88. I know this bill deals with an issue that politicians usually do not want to face. The reason they do not want to face the issue is because there is out there, as someone in this Legislature stated, a public perception that when we increase our salaries something wrong is going on. Every year we rush in this type of legislation just before the House rises for Christmas. This approach is not fair to the legislative procedure or to the members who are approaching the issues before them to try to determine whether this legislation is fair or should be amended.

I view Bill 88 in the same way I view Bill 81, An Act to amend the Workers' Compensation Act. We fight for the rights of the people out there and when we know for a fact that there is work going on in this Legislature, I do not feel shy; I feel that certain people should emerge when such a debate is taking place on the floor of the Legislature.

We know there is a public perception that whatever we do, we do as politicians in a very political way. Sometimes we do act in that way, but most of the time we have to dispel this wrong perception that exists out there. From time to time we hear that certain members of this Legislature are getting sick and having nervous breakdowns because of the work. I do not see why we have to be shy when we deal with the allowances of members of this Legislature.

For this reason the government chose, maybe correctly, but I think wrongly, to introduce these three bills just before the House is going to rise. To tell the truth, and again I am not shy, even though the media would like to convey my message outside, they show only what was supposed to be sent to a committee to make amendments to the bill.

The report of the standing committee on members' services was not taken into consideration by the government. The main recommendation was to send the whole issue affecting members' allowances and benefits to an independent commission. I do not understand why we are faced with these three bills when the content of the report from members' services was supposed to be dealt with by the government by referring the whole issue to an independent commission.

Going through this bill, we see that even on the floor of this provincial Legislature there is a creation of classes among the members of the provincial Legislature. If one looks at the salaries of individual members of the provincial Legislature and their duties, the whole system is unfair.

9:50 p.m.

It is unfair because when we deal with the pension issue of members of the provincial Legislature, the salary issue is also affected by the tenure achieved by the individual members in relation to the amount of money they will eventually receive in the form of a pension.

In our society we have classes of people. The government is also creating classes on the floor of the Legislature by establishing different salaries for members by considering the different functions and duties members perform on the floor.

It is unfair for back-benchers and others who do not serve a specific function. They work hard in this Legislature by effectively representing their constituents and expressing their constituents' views on the floor of the Legislature. If someone outside is of the opinion we do not work hard enough in the Legislature, then we have to go through the process of listing specific incidents of members who get sick as a result of the functions they have been performing here on behalf of their constituents.

I am not pleased with the different classifications of salaries. It has concrete repercussions on the amount of pension individual members will get when they eventually terminate their tenure as members of the provincial Legislature.

There is discrimination in the way we are dealing with salaries. The same type of discrimination has existed in dealing with injured workers across Ontario. Members will understand my frustration when I speak on behalf of injured workers, as well as on behalf of members of this provincial Legislature.

I do not think I have been hypocritical in dealing with the issue. If we want to have concrete changes in Ontario on something that may be unjust and unfair, we must have a reasonable debate to make sure we cure these problems created by the governments of the day.

As I stated, I am not shy when I approach this issue or when I deal with this issue with my constituents.

I remember when I had a nervous breakdown in 1981. I realized all at once that the benefits that covered me as a member of the provincial Legislature were not sufficient. If I had been forced to leave my seat in 1981 because there was no recovery whatsoever, I would not have been covered with the extension of my disability benefits plan, because that plan ceased at the time the individual MPP ceased to be an MPP. I would have been faced with a permanent psychological disability for the rest of my life. I was supposed to collect the minimum amount of pension to which I was entitled in 1981.

I am not just talking about my individual case. I am talking about other Liberal members who have gone through the same thing. I am talking about Conservative members who were sick as well. The reason this injustice exists is that we are rushing through legislation at the time parliament is supposed to rise. Why? It is because we are afraid to face the public and therefore we are faced with injustices.

I would like to bring to the attention of the minister who introduced this bill that individual members of the Legislature who do not reach a total of 55 for years of service plus age, and who want to draw their pension at the time they are defeated or they retire, lose an amount of $1,000, $2,000 or $3,000 for the rest of their lives. If they are so unfortunate as not to find a job for three, four or five years, they will lose this amount of money.

There is a common pattern in dealing with the legislation on the floor of this parliament. We are dealing in a very unfair way in relation to An Act to amend the Workers' Compensation Act and we are dealing in a very unfair way when we are supposed to amend the benefits for MPPs as well. I do not want to mention MPPs defeated in the last election, but they have no one to speak on their behalf. Some of them are not rich and if they cannot find a job, they rely on the amount of the pension they are supposed to collect from being MPPs.

I know nobody is paying attention to my speech. When injured workers had a job, before they were hurt and when they were bringing salary home, they did not think that some day they might get hurt and, therefore, eventually realize how unfair the Workers' Compensation Act was. I found out in a very hard way in 1981, as an MPP, that my rights were not covered. There was enough pressure in 1981 between the government of the day and my party to change the legislation to consider cases such as mine or others in relation to the extension of the disability plan.

The way we are approaching this legislation is irrational, as is the way we are approaching Bill 81, An Act to amend the Workers' Compensation Act. I will also be speaking on the contents and the principle of Bill 81. We are rushing the whole procedure. I hope the minister will take into consideration all the recommendations made in the report of the standing committee on members' services.

The Acting Speaker: Order. I should like to remind the member we are debating Bill 88.

10 p.m.

Mr. Lupusella: I am saving time. I am trying to incorporate all the points I was planning to make on Bill 88 and I will not be speaking in relation to Bills 81 and 90 because I have been expressing my points all at once.

I would remind the minister that the members' services committee report recommended that the issue of members' allowances and pensions be sent to an independent commission, because all the problems outlined in that report reflect the real needs of members of this Legislature.

Motion agreed to.

Bill ordered for third reading.

EXECUTIVE COUNCIL AMENDMENT ACT

Hon. Mr. Nixon moved second reading of Bill 89, An Act to amend the Executive Council Act.

Motion agreed to.

Bill ordered for third reading.

LEGISLATIVE ASSEMBLY RETIREMENT ALLOWANCES ACT

Hon. Mr. Nixon moved second reading of Bill 90, An Act to amend the Legislative Assembly Retirement Allowances Act.

Motion agreed to.

Bill ordered for third reading.

WORKERS' COMPENSATION AMENDMENT ACT

Hon. Mr. Wrye moved second reading of Bill 81, An Act to amend the Workers' Compensation Act.

Hon. Mr. Wrye: As I outlined in my statement on first reading on Tuesday of this week, this bill incorporates three principal features.

1. It provides for the automatic escalation of the earnings figure used to calculate workers' compensation benefit entitlements in accordance with movements in the consumer price index. This will guarantee not only that the benefits of Workers' Compensation Board claimants are protected against the effects of inflation in future, but also that those benefits will be adjusted annually, not at the whim of the government of the day but as a matter of statutory right.

2, In recognition of the shift in benefit adjustment dates from July 1 to January 1, those in receipt of WCB benefits on January 1, 1986, will receive a transitional adjustment based on a 1.7 per cent indexation factor. This is designed to bridge the six-month period between the old and the new adjustment dates and is based on the increase in the CPI over the most recent six-month period for which data is available, namely, from April to October 1985.

3. The bill corrects an unfair discrepancy in the benefit entitlement of pre-existing and new claimants for survivors' pensions, a discrepancy that arose as a result of the way Bill 101 was framed. By providing for an increase of 10 per cent in addition to the 1.7 per cent transitional adjustment in the benefits of survivors whose claims originated prior to April 1, 1985, this bill ensures the surviving spouses in question a pension equivalent in amount to their average pension entitlement had they been under the terms of the new scheme incorporated on April 1.

The chosen method of applying the indexation factor with reference to the pre-accident gross earnings of the plaintiff maintains the internal consistency and integrity of the principle of 90 per cent of net earnings, which has formed the basis for computing new benefit entitlements under the act since April 1, 1985. I will have more to say about that in a moment.

At the same time, the bill extends the financial advantages accruing from permanent indexation to all WCB claimants, regardless of the date on which they first entered the workers' compensation system. In addition, indexation will apply to other monetary amounts established by the act, ranging from the covered earnings ceiling, which affects maximum benefit entitlements, to minimum benefits, clothing allowances, lump sum payments to survivors and the burial expenses allowance. All these amounts will be escalated annually each January 1 by the percentage factor called for in the indexation formula.

I believe I should indicate quite clearly to the House that in applying an indexation factor, two alternative methods were available to the government: (1) to index the benefit itself, that is, the paying rate; and (2) to index pre-accident gross earnings and recalculate the benefit. In this bill, the government has chosen to use the second of these methods.

Let me get into a bit of an explanation. It is technical, but it is important that all members understand the rationale behind this.

Bill 101, passed around this time last year, introduced a principle supported by all three parties in this Legislature of using pre-accident net earnings rather than gross earnings as the basis for determining benefit entitlement. In the judgement of all of us, the use of the net promoted a more equitable and consistent rela-

tionship between a worker's benefits and his previous take-home pay. The new earnings principle is a sound one and was endorsed by all parties.

The maintenance of the 90 per cent relationship between benefit level and net earnings requires that future inflation adjustments be applied to gross earnings and benefits and that the benefits then be recalculated. Application of indexation directly to the pay rate would effectively sever this relationship because benefits would henceforth be adjusted without reference to rates of taxation or anything else.

On that basis, over time the benefit rate could theoretically attain widely differing percentages of the net earnings derived from the worker's updated gross earnings, either heading upward towards 100 per cent or, alternatively, falling quite a bit below 90 per cent. In contrast, application of indexation to gross earnings, from which benefits are then recalculated, ensures that a coherent and constant relationship will always obtain among a worker's adjusted gross earnings, his or her adjusted net earnings and the benefit rate being paid at any time.

It is worth noting that the distinction between the two indexation methods has no relevance for workers whose accidents occurred before April 1 of this year. Their benefits are still linked to 75 per cent of gross; the recalculation of net earnings is not at issue. This group, which today constitutes the vast majority of all current claimants and, with a handful of exceptions, virtually all permanent disability pensioners, will always receive an increase in benefits equal to the indexation factor itself. It is important to put that fact on the record.

I do not want to speak at length, but I do want to put this on the record, lest even today, as 1985 draws to a close, there be those who oppose the concept of indexation and do not recognize the propriety of this action. Let me first put on the record that Ontario is not unique. Today there are six jurisdictions–British Columbia, New Brunswick, Nova Scotia, Quebec, Saskatchewan and the Yukon–that have formal indexation of workers' compensation payments in respect of permanent disability. All but New Brunswick use the consumer price index; New Brunswick uses the average industrial wage. Four of those six jurisdictions–British Columbia, New Brunswick, Quebec and the Yukon–also index temporary disability benefits on a similar basis, as Ontario will.

It is important that we are not unique, we are not the first. It is certainly an appropriate matter, we believe, that Ontario should join what is now a clear majority of the provinces that believe this matter is long overdue.

In closing, I want to take members back to a report in 1979 that focused this issue, a report by Paul Weiler in which this issue was dealt with.

Mr. McClellan: Whatever happened to Paul Weiler?

Hon. Mr. Wrye: My friend the member for Bellwoods asked whatever happened to Paul Weiler. He is still working very hard in this field.

I suspect there may be those in this debate who will quote some of the rationale for nonindexation that was in the white paper. However, I always found, even when I did not agree with Paul Weiler, that the gentleman was able to turn a phrase rather well and to put his arguments in a very lucid way.

In speaking on the theory of indexation and why we ought to go to protection for injured workers against the ravages of inflation, Professor Weiler said, and he was speaking about the pension:

"In the final analysis, the point of this pension," the injured worker's pension, "was to establish the disabled worker's rights to share in the real goods and services generated by the Canadian economy. Inflation causes a general increase to occur in the money price of that same real basket of goods and services."

10:10 p.m.

This is crucial.

"If the government or citizenry of Ontario is not prepared to justify an explicit reduction in the real entitlement of workers' compensation pensioners, to take such a step as a conscious policy, they must not tacitly permit the same result to come about by allowing supposedly impersonal economic forces to take their course. This is why I deliberately speak of an adjustment to, rather than an increase in, pension benefits to take account of intervening inflation. We must keep clearly in mind that no real improvements to benefits are at issue here."

Finally, he added, "We do no more than avoid an erosion in real income levels we earlier awarded workers' compensation pensions." Surely, as I wind up my remarks on second reading, that is what we have done.

It is a change that is long overdue, it is a change that is appropriate and it is a change that will be applauded by injured workers all over the province as indicating that this Legislature has finally shown some real sensitivity and some real understanding of their problems.

Mr. Gillies: I am very pleased to join in the debate on Bill 81 on behalf of the official opposition. I open my remarks by saying to the minister that the phone lines are certainly abuzz about this bill this evening.

I will say at the outset that while a number of my colleagues intend to join me in the debate on the minister's bill, I do not think anyone, either inside or outside this House, should be under any misapprehension. The bill will not, I believe, be given all three readings rather expediently and passed before the members leave here tomorrow. I do not want anyone to labour under that misapprehension, wherever they are.

Mr. D. R. Cooke: What about tonight?

Mr. Gillies: No, we have some talking to do. I do not think we will be through tonight. I know our friends in the third party want to speak on the bill too.

Hon. Mr. Wrye: I want to hear the view of the member for Fort William (Mr. Hennessy).

Mr. Gillies: The minister is going to.

I join this debate very conscious of a number of things. First of all, what we are talking about is the wellbeing and the standard of living that will be enjoyed in large part by people who have had their earning power and their livelihood substantially reduced by way of a work-place accident.

It is very interesting that the minister, I and several other members of the assembly come back for this debate fresh from the deliberations of the Ministry of Labour estimates in the select committee on resources development. We heard there of the rather startling incidence of work-place accidents. The figures are rather disturbing every time members of the assembly hear them, although, overall, it appears that work-place accidents have stabilized in terms of their number across the board.

As the minister was telling us a few minutes ago, there are still employment sectors of the Ontario economy that are exceedingly dangerous. There are large numbers of Ontario workers, be they farmers, forestry workers or miners, who are injured. In fact, there are sectors of the economy, such as agriculture, where the number of accidents has been on a steady increase for some 10 years now.

As members of the assembly, we all have to share a very deep concern about the people in this province who labour day after day in dangerous occupations and who put their lives on the line, in some cases, when they go to their place of work every day.

I believe Ontario has recognized for many years the need for income protection, for benefits and for pensions for people who are placed in such situations. Many years ago there was a move away from the system of workers being put in a position where they had to sue employers to receive any compensation resulting from such an accident. The two-way scheme, now known as the Workers' Compensation Board, provides reasonably good protection for those people and stands, perhaps not as a model, but as a scheme as good as any other of which I am aware in Canada for the protection of these people.

We all have complaints. I hazard a guess that there are very few of us in this assembly who have not represented injured workers at one time or another. In my constituency well over half of the time of my constituency office is taken up by matters of concern to the WCB and to injured workers. Literally hundreds of cases have been brought to me or to my office since I was elected in 1981.

I know the chairman of the standing committee on resources development, the member for Nickel Belt (Mr. Laughren), has voiced the concern in recent days that more than 50 per cent of the time of the MPPs is taken up with these problems and that sometimes we feel a little helpless about it. Sometimes we complain about the bureaucracy, about the delays and the holdups that seem to come with working with the Workers' Compensation Board.

We have been through a lengthy process. We have had the Weiler report and the government's white paper on the Weiler report. We have had many hundreds of hours of consideration of the issues raised through those reports in the resources development committee, and we have had recommendations from the resources development committee, all of which led to the former government introducing and eventually passing Bill 101, which was seen as the first phase of the reform of the Workers' Compensation Board.

There were reforms left over from those earlier reports which were seen as coming in as part of a second phase of reform. I believe some of those thoughts, about which we talked all of those years from 1980 until mere months ago in the resources development committee, are now coming forward in the bill the minister has put before us today.

Mr. Speaker: Order. There are about six other conversations going on here.

Mr. R. F. Johnston: Seven.

Mr. Speaker: Seven. Okay.

Mr. Gillies: As I say, some of those reforms about which we have talked all these years are coming forward in one form or another. I for one

would like to commend the minister on some of the steps he is taking.

When we look at Bill 81, there are a couple of things I would like to make very clear on behalf of our party. We support, and I believe every member of this assembly supports, improving in every way possible and in every way practicable the benefits, the access to the Workers' Compensation Board and the ease of dealing fairly and equitably with the Workers' Compensation Board, which we all believe injured workers deserve.

We believe very strongly, and will be supporting without hesitation, the steps the minister is taking in Bill 81 with regard to bringing dependants, the widows and orphans of deceased workers, into the same framework of benefit as would have gone to the deceased worker.

The 10 per cent increase the minister proposed in Bill 81 was endorsed in principle by our party when we were the government. While we proposed to bring it in stages–I believe the former minister talked about four stages over a period of four years–the minister has decided to bring them in one package, in one reform.

I have no problem with that and our party has no problem with that. I believe it is long overdue and a welcome outcome of the deliberations of the resources development committee that we will be able to make some meaningful improvement in the situation in which the dependants of deceased workers find themselves. The other housekeeping–

Hon. Mr. Kerrio: Conclude.

Mr. Gillies: Please, allow me a few minutes more. This is an important bill.

We are also in support of the move of the pension plan provisions which will reflect the new quasi-independent nature of the people affected thereby with the new workers' adviser group.

We have to look at the history of the increases and the mechanism under which increases to workers' benefits were brought in over the last several years. We talk about indexation, in this case, to the consumer price index. We have to look at the increases that were granted since 1980.

On July 1, 1980, the Legislature granted a nine per cent increase to the benefits; on July 1, 1981, a 10 per cent increase; in July 1982, a nine per cent increase; in July 1983, a five per cent increase; in July 1984, a five per cent increase, and in July 1985, a five per cent increase.

10:20 p.m.

I do not believe there has been any hesitation on the part of the Legislature in the past to grant regular and, I believe, fair and meaningful increases, although individual members could debate the generosity of those increases.

I want to quote some of the minister's own words on July 5, 1985, when he brought in the last increase to the benefits. I believe the minister made some very good points at that time. He said:

"In arriving at a determination of the appropriate level of increase for workers' compensation benefits in 1985, the government was guided by the desire to ensure that at the very least the adjustment in question keeps pace with both the increase in consumer prices and the increase in the average wage levels throughout the provincial economy since the last benefit increase in July 1984.

"At the same time, the government needs to be mindful of the potential impact of a benefit amendment on the future assessment rate policies of the Workers' Compensation Board. It is also very conscious of the fact that we are currently in the midst of a major overhaul of both the benefit system and the administrative structures incorporated into the act, a process that was begun but not completed with the recent enactment of Bill 101."

The minister was absolutely right in his contention. First, the increases granted in the past number of years, if not precisely at the rate of increase of the consumer price index, were darned close. We are not talking about our commitment to injured workers and our desire to improve their benefits so much as we are talking about the mechanism by which that would be done.

I ask the minister, even as the Legislature moves on this package of reform, to keep in mind the problems or the challenges that face the Workers' Compensation Board and that have to be addressed, particularly at a time when we are bringing in reforms that will add to the cost of operating the board and to the benefits that will be flowing out from the board.

What are those problems and challenges? First and most important is the whole question of the unfunded liability that lies before the Workers' Compensation Board. The unfunded liability, the funds to which the board is committed to pay but for which it does not have assets, rose from $2 billion in 1984 to $2.7 billion in 1985, an increase of 34 per cent in assessment revenue in one year.

This increase and the increase in the assessment level have to be of concern to the minister and to the parliamentary assistant, who is here representing the minister. While we want to provide the best and most generous package of benefits and reforms we possibly can for the people for whom the board has a responsibility, for which we as members have a responsibility, we have to keep in mind the financial situation in which the board finds itself.

An increase in the assessment revenue of that magnitude–34 per cent in one year–cannot cover the cost of current awards. It must be concluded that to some extent the payout capacity of the board, as compared to its capacity to take in revenue, is out of kilter. It is somewhat out of control.

The ministry has recognized that. A task force has been appointed, including WCB officials and employers, to set out a strategic direction for funding that unfunded liability. I urge the parliamentary assistant to take this concern to the minister. This work must continue. It is very important to ensure that the benefits we commit today be available to the injured workers five years, 10 years and 15 years down the road, that the financial integrity of the board is intact, that the unfunded liability is under control and that what we do today can be followed through with in the future.

Another related problem which I also urge the minister to consider, even as we debate Bill 81, is the question of assessment rates. I note again a 34 per cent increase in assessment rates to the employers from the board in one year. There is a great deal of concern among employers and, I would say legitimately, among employees of many companies that we should be moving increasingly towards an experience rating system. Under such a system, those companies that have a poorer accident record–those that have demonstrated a lesser capacity to run their work places safely and responsibly–should bear a greater percentage of the increased costs. Companies that are doing a good job of running a safe working environment should not have the types of increases of those that are causing the problem.

There has to be a fairer system. There has to be a better way to fund the Workers' Compensation Board that would be widely accepted by employers and employees. Perhaps the day is even coming when we are going to have to look at alternative sources of financing for the Workers' Compensation Board. This was the subject of considerable debate in the standing committee on resources development.

It may be that the day has passed when we can expect the assessments against employers to fund the board by 100 per cent. Heaven forbid that it should happen at a time when I know the Treasurer (Mr. Nixon) is trying to get a handle on the provincial deficit, but we may have to look at funding from the consolidated revenue fund finding its way to the Workers' Compensation Board.

Hon. Mr. Nixon: Is the member going to finish?

Mr. Gillies: I am going to finish in about five minutes.

Hon. Mr. Nixon: Make it earlier rather than later. The member can start tomorrow morning.

Mr. Gillies: There is a problem with the standing committee on public accounts; I am going to be at the committee tomorrow morning. I will wrap up quickly.

There are other problems or challenges that the board has to get to. For example, I have raised in this House the question of the inequity in the wage increases granted to the salaried personnel of the board as opposed to the increases granted to the organized personnel of the board. I feel that question should be addressed. The minister is also aware of the illegal deduction of WCB fees from employees' cheques and the failure of the board to get a handle on that.

The bill before us will see an actual increase immediately of 1.7 per cent for the injured workers and an increase of 10 per cent, a one-time raise, for the dependants, plus the inflationary increase; so we have an increase of more than 11 per cent for the dependants of deceased workers. I have already spoken of our party's support for improvements to the benefits for dependants. I have spoken, and I guess I will speak again when we go into committee of the whole House, on the question of the superannuation clause.

We will be debating this bill tomorrow. Our party has some concerns about the mechanics of the bill, but the direction in which the minister is moving in trying to improve the situation of injured workers in this province is one we can all laud. I look forward to the debate.

On motion by Hon. Mr. Nixon, the debate was adjourned.

BUSINESS OF THE HOUSE

Hon. Mr. Nixon: I would like to indicate the business of the House for the remainder of this week and the week of January 6, 1986.

Tomorrow we will continue with this debate, and one hopes we will complete it in time for a timely adjournment to celebrate the Christmas vacation.

On Monday, January 6, in the afternoon, we would like to complete the redistribution debate. In the evening, we will have second reading and committee of the whole House, if necessary, on Bill 43 and Bill 44, and second reading of Bill 54, the Ontario Drug Benefit Act, and Bill 55, the Prescription Drug Cost Regulation Act.

On Tuesday, January 7, in the afternoon and evening, we will continue second reading, if necessary, of Bills 54 and 55.

Wednesday will be committee day.

On Thursday, January 9, in the afternoon, we will have private members' public business standing in the names of the member for Scarborough Centre (Mr. Davis) and the member for Dovercourt (Mr. Lupusella). In the evening, there will be legislation, to be announced.

On Friday, January 10, we will have the estimates of the Ministry of Northern Development and Mines.

10:30 p.m.

JUDGES' SALARIES

Mr. Speaker: Pursuant to standing order 28, a motion that this House do now adjourn is deemed to have been made. The member for Oakville has given notice of his dissatisfaction with the answer to his question given by the Chairman of Management Board. This will be discussed. The member has up to five minutes, and the minister has up to five minutes to respond.

Mr. O'Connor: Judging from her answer yesterday, I doubt she needs five minutes. Perhaps I can use some of her time.

In any event, I welcome this opportunity to chat briefly with the Chairman of Management Board on this question. The issue is whether a commitment was made to the Ontario Provincial Court Committee that if the committee recommended a certain level of salary for the judges, it would be accepted by the cabinet upon that recommendation.

The issue is not the amount of money that is paid to the judges. The question is one of the veracity of either the Chairman of Management Board or one of the members of that committee, whose versions of whether that commitment was made are diametrically opposed.

The minister says unequivocally, flat out, that no commitment was made. A member of the committee, Edward Greenspan, who incidentally has resigned over the issue, indicates that a commitment to a certain salary level was made. He further indicates he would not have signed the report had this commitment not been made; he would have filed a minority report.

I will read briefly from a letter of resignation he tendered to the chairman of that committee, dated November 19, 1985. He says in part:

"We were also informed that cabinet had agreed to an increase to $80,000. It was on that basis, and solely on that understanding, that I personally signed the report to the Lieutenant Governor."

He further states on the last page of that letter, page 5:

"Had I known in advance that the government was not going to recommend $80,000, I would have written an independent report had I not been able to persuade either you or Mr. Clairman, "the third member of the committee," of my view that judges' salaries should be immediately increased by $15,000, retroactive to April 1, 1984."

The other two members of the committee, Mr. Marchment, who is the chairman, and Mr. Clairman, an independent businessman, have been silent on the issue. When asked by the press and by others their views of what happened, they have chosen not to comment at all.

The other party involved, whom I mentioned in my question, was Douglas Beecroft, who is a counsel with the policy development section of the Attorney General's ministry and was a secretary to the committee. He is in a very sensitive and difficult position, obviously unable to say anything. However, in speaking to him, he simply indicated he was not at liberty to say anything.

I would suggest that for all three of these people it would have been a very simple, straightforward matter–if the Chairman of Management Board is correct in her interpretation of what happened–simply to have said, "No deal was made." I do not see how that would violate any privileges they have.

The matter has been speculated upon rather widely in the press. The positions of the two parties have been reported accurately, and this brings into question the veracity of one of the two parties. Both cannot be correct. One of them is and one of them is not.

I have a solution for the Chairman of Management Board to resolve this difficult issue and to remove the cloud that has to be over one of them as to who is telling the truth. The solution simply is for her to instruct the civil servant involved, who is an employee of the government, to give his version of the events. If the

commitment was not made, he should say so. He was apparently a party to all the conversations between the two sides of the issue.

Alternatively, she could encourage, but obviously not instruct, either Mr. Clairman or Mr. Marchment, the chairman of the committee, similarly to give his version of the events that occurred.

A third solution, obviously, is for her to instruct the committee to release any minutes or documents of any discussions that went on. We have heard so much about open government, no walls, no barriers. Surely the tabling of such documentation would put to rest the speculation that continues around this issue.

They both cannot be right. It is a simple solution. If she is correct, why not instruct the civil servant involved simply to tell us what did occur, whether such a commitment was made or whether such a commitment was not made?

Hon. Ms. Caplan: It was my understanding that this time was available to answer questions. Having been accused of obfuscation in the past, I thought the answers I gave during question period yesterday were very clear. When questioned by the member for Oakville, I replied no to his first question. Then to his two supplementaries, I responded yes and no.

It was very clear. I have a copy of Hansard from yesterday. His questions were clear, and I am not sure of the purpose for this further questioning except to say that upon assuming the office of Chairman of the Management Board of Cabinet in late June, I was told of the responsibility I had to report to the cabinet the recommendations of the Ontario Provincial Court Committee. I found this out when I was contacted during the summer by the committee and asked if I would convene a meeting with the Premier (Mr. Peterson) so we could discuss the history and the recommendations of this group on behalf of the provincial judges.

I might say I did that very expeditiously. A meeting was held. The members were at the meeting, as was the Premier. We listened. They informed us of the history. They told us in 1981 this committee had recommended parity with the federal judges and that the previous administration had never responded to the recommendation of that committee. It was now 1985 and there was great frustration because the previous administration had never even responded.

At that meeting, we considered parity with the federal judges as an unacceptable comparison and we rejected parity as a concept. In discussing this with our cabinet colleagues, we asked the committee in its deliberations to consider other than parity in that light. We asked instead that it look perhaps across this country at other provincial judges and see the state of the Ontario provincial judges.

As well, we were told of the frustration because the judges had been automatically given the same annual increase as the Ontario civil service by the previous administration. The frustration was that they felt they were being treated exactly like civil servants. We said we believed in the independence of the judiciary and would consider a recommendation that would separate the anniversary date and even the percentage increase as being different from the civil service.

There was an open and frank discussion. We listened. We did not at any time give a commitment. We could not because cabinet must make that final determination. What we asked was that they present to us a submission of options, which I took to cabinet. As members know, what happens at the cabinet table in its discussions is confidential. When I spoke to the members of the committee following that, I asked them to please present their recommendation to me and I would take it to cabinet.

At no time in my recollection did Mr. Greenspan tell me, either at the meeting with the Premier or subsequent to that–and I did not have a further discussion with him following the day of that meeting–that he would want to submit a minority report. He said clearly that he was seeking a consensus prior to the recommendation to cabinet. Never at any time did I say it would be possible to make a deal. No deal could be made because it is up to the cabinet, which has the responsibility to make that decision.

For the information of the House, I believe the judges in Ontario are fairly compensated. They compare with the highest-paid provincial judges across this land. They received a 4.4 per cent increase on a salary of $75,000.

The Ontario Provincial Court Committee has played an important role in the past and I hope it will in the future. Our commitment is to review the salary and remuneration of the court judges on an ongoing basis.

The House adjourned at 10:40 p.m.

CONTENTS

Thursday, December 19, 1985

Second readings

Residential Tenancies Amendment Act, Bill 77, Mr. Curling, Mr. McFadden, Mr. Gregory, Mr. Timbrell, Ms. Caplan, agreed to 2667
Legislative Assembly Amendment Act, Bill 88, Mr. Nixon, Mr. Timbrell, Mr. McClellan, Mr. Lupusella, agreed to 2682
Executive Council Amendment Act, Bill 89, Mr. Nixon, agreed to 2685
Legislative Assembly Retirement Allowances Act, Bill 90, Mr. Nixon, agreed to 2685
Workers' Compensation Amendment Act, Bill 81, Mr. Wrye, Mr. Gillies, adjourned .. 2685

Adjournment debate

Judges' salaries, Mr. O'Connor, Ms. Caplan 2690

Other business

Business of the House, Mr. Nixon 2689
Adjournment 2691

SPEAKERS IN THIS ISSUE

Breaugh, M. J. (Oshawa NDP)
Caplan, Hon. E., Chairman of Management Board of Cabinet and Minister of Government Services (Oriole L)
Cooke, D. R. (Kitchener L)
Cooke, D. S. (Windsor-Riverside NDP)
Curling, Hon. A., Minister of Housing (Scarborough North L)
Edighoffer, Hon. H. A., Speaker (Perth L)
Gillies, P. A. (Brantford PC)
Gregory, M. E. C. (Mississauga East PC)
Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy (Niagara Falls L)
Lupusella, A. (Dovercourt NDP)
Marland, M. (Mississauga South PC)
McClellan, R. A. (Bellwoods NDP)
McFadden, D. J. (Eglinton PC)
Morin, G. E., Deputy Chairman and Acting Speaker (Carleton East L)
Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue (Brant-Oxford-Norfolk L)
O'Connor, T. P. (Oakville PC)
Pierce, F. J. (Rainy River PC)
Polsinelli, C. (Yorkview L)
Timbrell, D. R. (Don Mills PC)
Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)
Wrye, W. M. (Windsor-Sandwich L)

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Hansard
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Friday, December 20, 1985

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CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Friday, December 20, 1985

The House met at 10 a.m.

Prayers.

STATEMENTS BY THE MINISTRY

POLICE PURSUITS

Hon. Mr. Keyes: This morning I would like to advise all honourable members on a report from the Solicitor General's Special Committee on Police Pursuits. This committee was established in November 1984 under the chairmanship of John MacBeth, vice-chairman of the Ontario Police Commission, to examine police pursuit driving in Ontario.

The objective of the special committee's mandate was to determine whether the measures currently serving to ensure public and police safety in pursuit situations are adequate and to recommend, where required, alternatives and improvements to procedures related to vehicle pursuit.

The 10 members of the committee studied these issues extensively for the past year. Their deliberations included public hearings and a wide variety of submissions from interested citizens both within and outside the police community.

The majority report concludes that vehicular police pursuit is too hazardous to undertake as frequently as current policy permits. It recommends that, in the interests of safety, a more restrictive policy should allow a pursuit only where an offence under the Criminal Code is involved, and not for offences under the Highway Traffic Act.

However, in a minority report, the three police represented on the committee dissented from that recommendation. They submitted that the professional discretion of police to engage in vehicle pursuit cannot be restricted.

Committee members did agree, unanimously, on four other major recommendations:

1. The strict enforcement of section 181 of the Highway Traffic Act, which permits the police to charge a vehicle owner and which places the onus of responsibility on a vehicle owner, where the operator of the vehicle knowingly fails to stop for the police for the committal of an offence;

2. The enactment of legislation permitting the courts to impound a vehicle that has been used by a motorist to flee wilfully from the police;

3. The adoption of a camera system that would photograph vehicles and their licence plates, while simultaneously recording vehicle speed, when a driver is believed to be committing a traffic offence; and

4. The establishment of a helicopter police patrol on an experimental basis in an urban area.

In recognition of the fact that such recommendations represent, as the committee put it, "fundamental change to the prevailing norms of law enforcement in Ontario," the committee suggests its recommendations be implemented initially on a trial basis with an evaluation to take place in two years.

There are a number of other recommendations in the report, 31 in all, ranging from procedural measures, pursuit training, public education and the use of firearms, to mechanical alternatives and improved communications systems.

The committee also reports that of the 170 pursuit policies reviewed from police forces across Canada, the United States, Australia and Britain, Ontario's is among the least restrictive.

Clearly, the issue of police pursuits is one for which strong arguments can be made on both sides. It is for this reason that the committee's report is so welcome and necessary. I will be discussing its content with my cabinet colleagues, and I will seek further input from the police community and, ultimately, from the members of this Legislature.

This report should serve as the foundation for further protection of our citizens and the police who serve them on our roads and highways. I am indebted to the 10 members of the Solicitor General's Special Committee on Police Pursuits for their contribution.

SINGLE INDUSTRY COMMUNITIES

Hon. Mr. Fontaine: Many northerners live in communities that are dependent on industries that must cope with fluctuating international commodity prices and resource depletion as part of their business environment. These factors, in turn, may lead to layoffs and closures such as those that have occurred or are taking place in Atikokan, Ear Falls and Pickle Lake.

J'ai le plaisir d'annoncer ce matin que le gouvernement de l'Ontario met sur pied un

comité consultatif pour déterminer des façons d'aider les communautés du Nord de l'Ontario qui dépendent d'une seule industrie pour assurer leur survie.

The committee will examine the current situation and future outlook in general of the north's many communities depending for their livelihood on a single industry such as mining or forestry.

Besides studying current Ontario policies, programs and information on this matter, the committee will look at how other provinces and countries deal with this situation. Private sector practices with respect to layoffs and closures will also be examined.

Nous voulons trouver des mécanismes pour diminuer l'impact des mises à pied et des fermetures d'usines dans les communautés avec une seule industrie.

The following individuals have agreed to serve as members of the committee: the member for Algoma (Mr. Wildman); the member for Carleton East (Mr. Morin); the member for Rainy River (Mr. Pierce); Bob Axford, Red Lake, vice-president, Canadian Association of Threatened Single Industry Towns; Ron MacDonald, president, Sudbury local, United Steelworkers; Ginette Quirion, former Hearst town administrator; and Dr. Bob Rosehart, president, Lakehead University, Thunder Bay. Dr. Rosehart has agreed to chair the committee.

These people will give the committee the broad makeup and experience it will need to carry out its mandate effectively. The committee will report to me and the cabinet committee on northern development by March 31, 1986, with proposals for action.

10:10 a.m.

ELECTROSHOCK THERAPY

Hon. Mr. Elston: In February 1984, Windsor lawyer Charles Clark was asked to review the use of electroconvulsive therapy in Ontario and to make recommendations to the Ministry of Health about its future application in the province.

The report of the Electro-Convulsive Therapy Review Committee has been completed and submitted to me. Because of its importance, I want to highlight some of its recommendations for the members of this House.

Although electroconvulsive therapy has been used in psychiatry for more than 45 years, there is a divergence of opinion among health care professionals and laymen about its indications for use, its effectiveness and its side-effects.

There is concern about the potential misuse and abuse of the treatment and about patient rights. At the same time, there is also concern for the wellbeing and appropriate treatment of psychiatric patients.

In examining the Ontario situation, the committee heard more than 350 submissions. In excess of 250 of these were from private individuals, the majority of them former patients or their families.

The personal testimonies were about evenly divided. There were those who believed ECT had greatly benefited them and in some cases saved their lives. Others believed ECT had not helped or had even harmed them. The committee was very impressed by the convictions and courage shown by all these individuals in sharing their feelings on this very sensitive subject.

In addition, the members looked at a range of scientific and clinical work.

The committee felt there are risks and adverse effects associated with ECT, as there are with most medical procedures; however, these considerations must be weighed against alternative forms of treatment, or no treatment at all, and the needs and wishes of the individual patient.

On the basis of this evidence and the strong beliefs of individuals who were convinced that ECT had helped, the committee, with the exception of one dissenting member, reached the conclusion that electroconvulsive therapy should continue to be available as a mode of treatment in Ontario.

While recommending continuance of ECT, the committee strongly emphasizes that extensive safeguards should be put in place to ensure high standards of medical care as well as protection of individual rights.

The committee's report contains 39 recommendations directed at ensuring that the use of ECT is based on sound legal, ethical and medical principles.

The committee dealt extensively with the complex and controversial area of patient consent and on this matter has made the following recommendations:

1. The individual patient should have absolute autonomy, if competent, to consent to or to refuse treatment. This includes a decision of no treatment at all.

2. The patient must be kept fully informed about the medical treatment and its expected results and risks.

3. The patient must be able to choose freely or refuse the proposed treatment without undue influence.

Determining a patient's competency to make treatment decisions is the most fundamental element of patient consent. The committee concluded that the definition of competency must therefore be clarified and expanded.

In cases where the patient's competence is in question, the committee recommends that competency should be determined by an impartial tribunal. It suggests the jurisdiction of regional review boards be expanded to include determination of the competence of patients to make treatment decisions. This would change the present situation where competence is determined by the physician alone.

Under current legislation there is no provision to appeal decisions regarding the competence of patients to consent to treatment. Therefore, the committee recommends that the decision of the impartial review board be subject to the right of appeal to a criminal court, in accordance with the principles of fundamental justice.

In addition to these recommendations regarding patient consent, the committee recommends that the Ministry of Health establish and enforce minimum performance standards for ECT equipment, that hospitals be required to record standardized information regarding the use of ECT and that each hospital should have written clinical procedures for the ECT treatment. It recommends that research should also be undertaken to investigate how ECT produces its therapeutic effect and on ways to improve the treatment's benefit.

I wish to thank personally the committee chairman, Charles Clark, the other committee members and support staff for their work and efforts in preparing this report.

I wish to give every assurance that these proposals and recommendations will be carefully considered by me and by my ministry staff.

My staff has already contacted the Ontario Hospital Association, the medical and psychiatric associations and the Canadian Mental Health Association, as well as organizations of former psychiatric patients, to start up a process of consultation to address these recommendations.

I am also sending copies of the report to a number of medical, legal and public interest groups and have asked them to provide me with any comments and concerns they may have.

Once a thorough review of the report's conclusions has been carried out, I will inform the House about specific actions the Ministry of Health intends to take.

ORAL QUESTIONS

URBAN TRANSPORTATION DEVELOPMENT CORP.

Mr. Grossman: I have a question for the Minister of Transportation and Communications. We were surprised to learn this morning that after intense questioning about the negotiations with regard to the proposed sale of the Urban Transportation Development Corp., and without notifying this House or the public, the Premier had a secret, unknown meeting with Bombardier Inc., one of the bidders.

Hon. Mr. Peterson: Why not ask me about it?

Mr. Grossman: Asking the Premier gets no information; it gets arrogance and sarcasm. We will see if he even told his minister about his meeting.

Can the minister tell us whether it is true that the Premier has agreed to give Bombardier confidential information with regard to the financial circumstances of UTDC, without requiring written guarantees or any deposits?

Hon. Mr. Fulton: I can assure the Leader of the Opposition that is not true.

Mr. Grossman: This is likely a Hugh O'Neil situation.

Can the minister tell us how much of a deposit will be required of Bombardier before any information is released by UTDC or the government?

Hon. Mr. Fulton: There is simply nothing in the offing that would require a deposit from anyone at this stage. There are ongoing negotiations, as has been clearly stated in this House repeatedly. There is nothing new in those negotiations that would require that kind of action at this time.

Mr. Rae: The minister will know that Sinclair Stevens, whose bona fides the minister would have no reason to question, said yesterday he would be prepared to postpone the de Havilland deal until such time as a legislative committee has had a chance to study all the terms and contents of that deal. Is the minister prepared to be just as generous and forthright in consulting a legislative committee as is Sinclair Stevens?

Hon. Mr. Fulton: There is no deal and therefore nothing to be postponed.

Mr. Grossman: I knew it would be a Hugh O'Neil situation.

No offer has been signed. We know that. Therefore, let me ask the minister whether, in his answer to the member for York South, he has undertaken that no deal will be entered into,

finally signed by the government, without first giving a committee of the Legislature, to which our party has referred the report, a chance to study the proposed terms of sale? Will he give that undertaking to the House?

Hon. Mr. Fulton: There is simply no deal. Nothing has been signed. We are continuing negotiations with more than one principal. The Premier has indicated we are responsible for it; we will handle it, and whatever documents are required to be tabled will be tabled.

Mr. Grossman: I think we will spend some time with the minister after Christmas.

Mr. Speaker: This is before Christmas. Can we have the second question, please?

10:20 a.m.

DOMED STADIUM

Mr. Grossman: I want to give the Premier a chance again this morning, before we break for Christmas, to exhibit his vaunted skill in sarcasm and sneering, so we will return to the stadium.

Mr. Rae: Go get them, Rambo. Go for it, Rambo.

Hon. Mr. Bradley: Those Decima polls have certainly got to the member.

Mr. Grossman: Yes; the government is doing as well as we were in February 1985; I acknowledge that.

Mr. Speaker: Order. Is this a question to the Premier?

Mr. Grossman: Yes, it is. Given that his government is the controlling shareholder in the Stadium Corp. of Ontario, given that the process followed in selecting someone to build the stadium is obviously an important matter of public policy and scrutiny, and given that the president of the stadium corporation now says significant design changes will be made after the competition is over–for example, a 10 per cent reduction in the number of seats, which is a large reduction–will the Premier agree to give the three lowest bidders a chance to hold further discussions with the stadium corporation to make sure they have a chance to address the price for which they would build an adjusted stadium?

Hon. Mr. Peterson: I am not exactly sure of the entire method. As the member knows, this was a design-build proposal as opposed to a straight tender on one design. The various companies were invited by the Conservative government. I gather the member was on the board at that point, but I may be wrong. They were the shareholders. They invited four groups or consortiums to get together and submit design proposals.

I gather that was done and they finally came through. The operating premise at that point was that it was going to cost about $150 million. I have even seen statements where the member said the province was going to contribute $10 million or $15 million and the price was going to be $110 million or $125 million. When the final designs came up, one could see how wrong were the people who were putting their minds to the question a year or so ago.

Everybody has a serious problem, given the price all the designs came in at relative to the kind of facility people want. As I understand the process, the various designs were submitted to the technical committee. They now are and have been in the process of trying to bring them all down to a manageable financial package. At the same time, they are looking at the financing on the other side.

With respect to the questions the member has, I hope he will go to the standing committee on public accounts–I gather it is meeting after question period–and put these questions there. They are in the process of trying to get the price down to make it affordable. If the member has ideas on how to do that, he should submit them to the technical committee and to the board. He knows them all very well. A number of them are close friends and big supporters of his. They are very fond of him and have a lot of respect for him, and I know the member has respect for them. I am sure he could pick up the telephone, phone them and share his views with them. They would be delighted to have his advice on this matter.

Mr. Grossman: I did pick up the telephone, call them and invite them to come to speak with me, but the Premier ordered them not to. That is the circumstance.

I pose this supplementary question because the controlling shareholder of the corporation is represented by the Premier and the Treasurer (Mr. Nixon), not by Mr. Connell and not by those who are coming before the public accounts committee to whom the Premier keeps referring us.

The Premier does not have time for it. He will not exercise his responsibility as the shareholder with total control. I was the Treasurer and I was the single shareholder. The Treasurer now is and he has total control.

Given that, I refer the Premier to the Canadian Construction Documents Committee, which puts out this document outlining procedures in the

event of the bidding circumstance to which the Premier just referred. This organization includes representatives of the Association of Consulting Engineers of Canada, the Canadian Construction Association, the Canadian Council of Professional Engineers and the Royal Architectural Institute of Canada.

Mr. Speaker: Question, please.

Mr. Grossman: This document, which is a guide to calling bids and awarding contracts, says on page 29–

Mr. Speaker: Question, please.

Interjections.

Mr. Grossman: Forgive us for asking questions. It says on pages 23 to 29 that, should the changes contemplated result in a value in excess of 15 per cent, the bidders who submitted the three lowest acceptable bids should be invited to retender.

Mr. Speaker: Question, please.

Mr. Grossman: Given the Premier's concern about public administration and manuals of administration, will he agree to abide by this accepted principle and invite those three firms to retender if the price change is 15 per cent?

Hon. Mr. Peterson: Two points to the member: One, he suggested that I ordered them not to talk to him. That is absolutely and categorically false.

I want to say something else. This is not the first time in this House that the Leader of the Opposition (Mr. Grossman) has stood up and said absolutely false things about people associated with what this government has done. He is rife with inaccuracies that border on the irresponsible, in my view. I do not mind any charge he wants to make, but he does not have the licence to stand up and be factually wrong when I know he knows he is wrong.

My second point is that I do not know about the manual he has in front of him, whatever it is. I have no idea if the design changes they are contemplating and that I read about in the newspaper today constitute 15 per cent. If he takes 15 per cent of a $225-million contract, what he is saying is that the alteration in the price would be about $35 million. I have no idea whether the price is going to come down $35 million on the basis of this, or whether it comes within the rules established by the engineers or whatever.

I invite the member to go to the committee this morning and discuss it with the technical committee and the board of directors, to satisfy himself.

Mr. Grossman: I want to say to the Premier before we break for Christmas that if he wants to–

Hon. Mr. Eakins: The Leader of the Opposition is up to his old tricks again.

Mr. Grossman: Do not get nervous.

If the Premier wants to talk about unfounded allegations in this House, he might want to read his own mail with regard to lawyers' letters he has been getting about allegations he has been making in this assembly.

Mr. Speaker: Supplementary, please.

Mr. Grossman: Just do it. I will compare my mail with his any time.

I will ask this final supplementary of the Premier. I am speaking to the shareholder of the company, the owner of the company. The owner of the company keeps saying to the official opposition in this province, "If you want any information from my employees, the people I hire, retain and can fire at any time, go and ask them for it."

Is the Premier now prepared to instruct his employees that, following this accepted principle, which they subscribe to as individuals in the private sector, he will ensure that if the price changes by 15 per cent, the unsuccessful bidders will have a chance to retender?

Hon. Mr. Peterson: I am sure my honourable friend understands what is going on here. We have an independent crown corporation. Yes, we are the major shareholder; the member is right. We appointed an independent board. They have made the decisions. We gathered up what we consider to be the finest people in this province who are equipped to make those kinds of decisions for us. We have faith in them.

I have a great deal of respect for William Grenville Davis. The member may not have, but I do. I think he exercises dispassionate, thoughtful, judgement on all occasions. I have great respect for Martin Connell. They have made all the decisions along the way. When they decided to hire a public relations firm, for example, they hired Foster Advertising. I say good for them, because they used dispassionate, objective judgement in doing that.

10:30 a.m.

So far, I have found they have made some pretty good decisions and that is why I have faith in them. If the member does not, I want him to go and ask them any questions. It is all there; some in the papers, some in the technical reports. He can spend the Christmas holiday reading it all and

I will be delighted to have his analysis when we come back on January 6.

[Later]

Mr. Timbrell: On a point of order, Mr. Speaker: Looking at standing order 19(d)8, 10 and 11, I would ask you to ask the Premier–

Mr. Speaker: On what point of order?

Mr. Timbrell: It relates to the earlier statements by the Premier that the Leader of the Opposition has on a number of occasions made false–

Mr. Speaker: Order. It relates to a previous statement. The member has the opportunity to ask a question about it.

Mr. Timbrell: With all respect, it is under the rules of the House.

Mr. Speaker: Under what standing order?

Mr. Timbrell: Mr. Speaker, I am rising to draw to your attention standing order 19(d), which says:

"In debate, a member shall be called to order by the Speaker if he:...

"8. Makes allegations against another member;

"10. Charges another member with uttering a deliberate falsehood;

"11. Uses abusive and insulting language of a nature likely to create disorder."

The Premier alleged that the Leader of the Opposition has on a number of occasions made false statements in this House. He gave no evidence to support that whatsoever. I submit that he is out of order and should be ordered to withdraw.

Hon. Mr. Peterson: It is difficult, but let me speak to the point of privilege. The Leader of the Opposition made an accusation against me that was absolutely factually inaccurate. Let me just say–

Mr. Speaker: Order. Just a moment. This took place some time ago. First, I do not know why the member did not–

Mr. McClellan: On the same point of order, Mr. Speaker: I believe the exchange my colleague the member for Don Mills (Mr. Timbrell) has referred to took place during question period this morning. I heard the exchange. I was surprised you did not intervene and ask the Premier to withdraw his remarks.

The member for Don Mills is perfectly correct. There are precedents to go by. I think it would serve us all well if the Premier were simply to rise in his place and withdraw the remarks that were contrary to the standing order.

Hon. Mr. Peterson: As I recall, I think I said he made a false statement. If that is contrary to the rules of the Legislature–

Mr. Timbrell: It certainly is.

Hon. Mr. Peterson: Is that what I said? I think that is what I said he did "on a number of occasions." What I said, and I stand by it, Mr. Speaker, as long as it is acceptable, was that he has been factually inaccurate in a number of things he has said on a number of occasions. If that is not acceptable, Mr. Speaker–

Mr. Speaker: Order.

Hon. Mr. Peterson: I have great respect for you and for the rules of this House. I will say, on the other hand, that when you have total irresponsibility in this House, there has to be some remedy as well.

Mr. Speaker: Order. I understood the Premier to say he withdrew.

Mr. Leluk: I did not hear it.

Mr. Gillies: The Premier should be out of here on the end of a sword.

Mr. Speaker: Order.

URBAN TRANSPORTATION DEVELOPMENT CORP.

Mr. Rae: I want to question the Premier on the Urban Transportation Development Corp. The minister today has said there is no deal. Is it the government's intention to negotiate one along the lines of the de Havilland deal federally; that is to say, a letter of intent setting out some basic agreements with the details to be negotiated over time?

In the event of a sale, is it the intention of the government to take that route? If that is the way to go, can the Premier give us his assurance today that no final contracts will be signed until a legislative committee of this House has had an opportunity to have a complete scrutiny of the deal itself?

Hon. Mr. Peterson: At this moment, there is no determination on which way it would proceed. As I said before, there are some interested parties in various forms. There have been discussions with all of them. There is no question at this moment the most serious one is Bombardier. That has been checked by a number of professionals who looked at the feelers or tentative offerings of certain other groups.

I met yesterday for the first time, as did the minister, with the principals of Bombardier. We had a tentative discussion about their interest and ours. At this point, their interest would be to build a national-class mass transit operation, a

Canadian operation, to compete internationally. One of the problems is we have had a situation where two Canadian companies, Bombardier and UTDC, have been competing against each other. The question people are looking at is how it could enhance employment and build a company that would indeed be competitive internationally if they got together somehow.

That is the way it is tentatively being considered at the moment. The details have not been worked out, not even those on how to proceed. One of the options, as the honourable member says, is to proceed by way of a so-called letter of intent. Then they could go in and satisfy themselves about certain details, that the representations made are there, and they would come out with a price at the other end.

Mr. Speaker: Briefly, please.

Hon. Mr. Peterson: The leader of the third party would like to see this deal, as others, run by a select committee of this House. I am not as optimistic as he is that this is the right approach in these kinds of transactions. It is my view that everything we do must be subject to scrutiny by this Legislature and indeed by the people of this province. There is no way around that and that is the way it should be.

Frankly, I have some reservations about whether having committee discussions prior to making a deal is helpful. I am not sure six or eight committee people sitting around and fighting philosophy about public versus nonpublic ownership, or inviting in six or eight other people to try to make a deal, is a particularly constructive way to maximize the return for the shareholders.

Mr. Rae: In his answer, the Premier is dangerously close to showing real contempt for the ability of ordinary members of this Legislature to represent their constituents effectively. I hope the Premier will reflect on that for some time.

Is the Premier not aware that, in his initial answer and the answers given by the Minister of Transportation and Communications (Mr. Fulton), they are being less generous in their consultation with the parliamentary process regarding a deal affecting crown assets belonging to the people of this province than Sinclair Stevens was yesterday in Ottawa? Is the Premier aware of that?

Hon. Mr. Peterson: I must say that is a devastating accusation, to accuse me of being less generous than Sinclair Stevens. The member has wounded me with that assault.

That is a different situation, as I view it. They have signed a letter of intent and there has been considerable discussion. We have not signed a letter of intent and at this moment we do not know whether that is the way it is going to proceed. It is different. We are not looking at selling out to a foreign company in the way the de Havilland deal was done. We are looking at a responsible Canadian employer and company, and we are looking to use our good offices to make it bigger and better. That is why it is different.

Mr. Grossman: I have a news report that quotes a source in the government as saying: "I think we have more comfort now in proceeding to the next stage. We have just got to work out what they"–Bombardier–"can see and what they cannot see." So that we all understand clearly, will the Premier tell us whether, in giving them more information, which the source says the government is going to do, it is going to require a significant deposit, as the minister said the government would, and will he tell us what that significant deposit will be?

Hon. Mr. Peterson: It is one of the things that has been discussed. At this point, there is nothing definite with respect to that. As the member knows, one of the ways one can proceed with a letter of intent is to ask for a deposit and then agree ahead of time what information can be seen. Obviously, one of my concerns is what any potential purchaser should be able to see and not see. For example, if a deal did not go through, would revealing too much information hurt the competitive position of UTDC? There is a line one has to find in these discussions.

At this point, what would be shared and what would not be shared has not been not worked out, but one has to be fair to any potential purchaser and say that it has a right to satisfy itself as to the veracity of certain representations made by the vendor company. That is the situation we are in at the moment.

Mr. Foulds: Is the Premier aware that not only is the taxpayers' investment at risk but jobs and contracts are also at risk because of the public meanderings the Premier has had over the possible sale of UTDC? Before he proceeds with any sale, will he guarantee that those jobs in Ontario will be guaranteed and that any deal will be scrutinized by a committee of this Legislature before it is finalized?

Hon. Mr. Peterson: Let me answer the honourable member's question with respect to the jobs. As he knows, UTDC in its present form is currently going through a job rationalization because of the cancellation of GO advanced light rail transit. He and I both know that any company

can hire only according to the contracts it has. Obviously no company, including UTDC, can keep people on the payroll if it does not have contracts. The question is how we can put that company in a position where it will have more contracts and more business to enhance employment. That is the critical question.

We should take a very tough view in any negotiations on job guarantees, not just for now but for the future as well. We want to see the company grow. I think the member will be satisfied that any deal we make will be the most sensible approach that could be guaranteed in the circumstances.

With respect to putting the taxpayers' investment at risk, the member should not assume for a minute that we are doing that. This company is not going to be given away. Money will come back to the taxpayers that can be used for northern medical travel, for example. We might have to expand our university system. It could be put into research and development and other creative purposes. All the while, that company will be protecting jobs in Thunder Bay and Kingston, and growing and growing. Is that not the ideal solution? I am sure that would appeal even to a socialist.

Mr. Rae: It is quite a remarkable day when Sinc Stevens sets the standard and the Premier of this province is not prepared to commit himself publicly in the Legislature of Ontario to the same standard. It is going to be an interesting battle.

10:40 a.m.

EMERGENCY HOUSING

Mr. Rae: My question is for the Minister of Community and Social Services. I am sure the minister is aware that the death that occurred on Tuesday night came after there were public warnings from the heads and managers of women's hostels across the city of Toronto, public warnings that have been taking place for several weeks now. We have statements, for example, from the head of Nellie's Hostel, saying that women's need for shelter is definitely at a crisis level, especially for single women between the ages of 25 and 50. The head of Interval House on Huron Street said we are definitely in a crisis. We have examples of people who say they are turning away as many as 90 per cent of their female applicants.

The minister must be aware that the situation with respect to homelessness facing women is a crisis. Specifically, does he not now realize that a crisis in emergency shelter has been taking place for several years and that the reason it has been taking place is that the government has a warehousing policy, a policy for flophouses but not a policy for real homes for people who want permanent homes that make sense to them?

What is he going to do to deal with the crisis and to ensure that people have really decent places to live and not simply flophouses subsidized by the government of Ontario?

Hon. Mr. Sweeney: I strongly suspect that organizations such as the Salvation Army, the Anglican Church and the Baptist Church would intensely resent the description of the accommodations they provide for emergency shelter as flophouses. I have visited several of them and I certainly could not describe them as flophouses.

This winter's emergency shelter program saw an additional 277 beds made available in Toronto. That is in addition to what was already there. The tragedy of Tuesday night, as I indicated to the members earlier, need not have happened, because only four blocks away from where it did happen, there were 19 empty beds in Walpole House.

Mr. Rae: I have not met anybody from any of the religious communities the minister has mentioned who is not seriously critical of the role that governments, Tory and Liberal, have played in ignoring the homelessness crisis. There are between 5,000 and 10,000 people wandering the streets of this community who do not have a permanent place to live. That is a reality. It has been a reality and it is growing.

The minister may defend it and say it is okay to have 60, 80 or 100 people living in the same room, which is the case in many of the places he is so proud of as offering permanent accommodation to people and which he seems to think are just hunky-dory places for people to live; but I would suggest to him that this is not the way those people feel and it is not the way the people who are running those institutions feel.

Specifically, what is his ministry doing to establish standards and the kind of quality of life for people, so they will not feel they are better off living in the back of a truck than in some hostel operated by people subsidized by his government? Why are people living in the streets if his hostels are so wonderful?

Hon. Mr. Sweeney: I would remind the honourable member that the function of my ministry with respect to shelter is for emergency shelter; it is not for full-time housing for people.

There is no doubt whatsoever that not only in this city but in practically every other city in this province there is a shortage of regular, full-time housing for single people. That is a fact. It is a

fact my colleague the Minister of Housing (Mr. Curling) partially addressed in his statement on Monday of this week. It is a fact we are going to have to deal with in this government, and we will deal with it.

In the meantime, the emergency shelter that is available in this city cannot adequately be described as flophouses. We work very closely with the municipality, the churches and the various charitable organizations, and among the three partners a decent, responsible job is being done.

Mr. Eves: It is our understanding there are people sleeping on the floors of these hospitals, these emergency housing situations the minister talks about. Can the minister confirm or deny that? What specific request has he made of the Minister of Housing with respect to improving the lot of these people?

Hon. Mr. Sweeney: In my previous answer I mentioned there were 19 empty beds available four blocks away from where that woman died. People were not not sleeping on the floor there. These were empty beds. There could have been an additional 40 empty beds across the city that night.

For the first time, the Minister of Housing is a member of the social policy committee of cabinet. The Minister of Housing of this government recognizes his responsibility for social housing, not economic housing.

Mr. Gillies: Are they sleeping on the floor or are they not?

Interjections.

Mr. Speaker: Order. Will the members please look at the time? We have completed only three questions.

Mr. Rae: The minister must realize there are people who prefer to stay in a car all day than to have only a bed on a floor, and many of them are on the floor at night. The minister knows that; that is a reality. He knows those people have no security of tenure. In many cases, they have no place to call their own with respect to where they put their clothes or even where they put their toothbrushes.

The minister is defending that kind of accommodation. That is satisfactory to him for thousands of people. He is shaking his head, but that is not what he was saying before.

Can the minister deny there is no security for those people? Can he deny they are wandering the streets during the day and are forced to live, many cheek by jowl, literally dozens of them in the same room? Is he denying that fact? Is he saying that is satisfactory?

Mr. Speaker: Order.

Mr. Rae: What does he intend to do to set some standards so that people would prefer to live there rather than sleep in a car when it is 25 below zero at night?

Hon. Mr. Sweeney: I am most certainly not denying the fact that there are transient street people in this city. They are in every city of this province and in every city of this country. That is a fact of life. We are not denying that. We are not denying that there is a shortage of decent housing for single people in this city, in every city of this province and in every city of this country. That is a fact of life.

I have indicated to the member that my colleague the Minister of Housing has partially addressed that problem and will continue to address it. He, I and our joint staff have discussed the way in which social policy for housing must become one of the hallmarks of this government. In the interval, my ministry is and will continue to be responsible for the best possible emergency shelter for people living in the streets.

Mr. Timbrell: The minister knows very well the Minister of Housing's proposals cannot keep up with the demand.

Hon. Mr. Sweeney: It is more than the member's government ever did. The members opposite ought to be ashamed of themselves.

Mr. Gillies: The minister's party is responsible now. He has been playing that game so long that it is his turn now to do something.

Interjections.

Mr. Speaker: Order.

10:50 a.m.

EXTRA BILLING

Mr. Timbrell: Mr. Speaker, I have a question of the Minister of Health. Can he give this House, and through it the public, an absolute assurance this morning that when this House has dealt with Bill 94 on second reading in January, the bill will be sent to a standing committee for full and open public hearings?

Hon. Mr. Elston: I indicated yesterday in question period that this bill would be going to committee. I give whatever undertaking I can to this House. Every member who knows a little bit about procedure here understands full well that it can be referred to the committee. I am certainly agreeable to that. A major piece of legislation

such as this should have the full committee work done on it.

Mr. Timbrell: Can the minister assure me that he will not try with this bill, as he has with others, to restrict access to the committee and that–

Mr. Brandt: You did it, Bradley. You know you did.

Hon. Mr. Bradley: You sat for six years on that and did nothing.

Mr. Speaker: Order.

Mr. Timbrell: –he will ensure that every interested party that supports or opposes the principles–

Mr. Brandt: You did it. All of this talk about six years.

Mr. Timbrell: –and the detail of the bill will have the right to appear before and be heard by a standing committee of this House?

Mr. Brandt: Do not give me any of your crap. You put the fix in.

Hon. Mr. Bradley: You wanted to sidetrack this bill.

Mr. Speaker: Order. Will the member for Sarnia (Mr. Brandt) and the Minister of the Environment (Mr. Bradley) contain themselves.

Hon. Mr. Elston: It has been the tradition in this House for a number of years, probably since it started, that committees order their business; the honourable member knows that. The only time I have seen their being prevented from doing their work is during his party's interim. When his government had a majority, it told us when we had to report back bills. I will respect the arrangements that are arrived at by that committee sitting together and deciding how it will order its business. I am not directing or instructing.

I think the tradition in this House is well known. The committee will have ample time to review the legislation. I am sure that is what that honourable member wants to know. The tradition of this House will continue, as far as I am concerned.

Mr. Timbrell: All we want is open hearings. Are you going to do the same thing on this as on the pharmacy bill?

Mr. Grossman: No walls or barriers or hearings?

Mr. Speaker: Order.

Interjections.

Mr. Speaker: Order. That is the last warning you will get before a recess.

TRUST COMPANIES

Mr. Swart: I want to ask the Minister of Consumer and Commercial Relations about the imminent merger of Canada Permanent and Canada Trust to be 99 per cent owned by Genstar of the United States. I wonder whether he is aware that this additional concentration will now mean that just three trust companies will control 54 per cent of trust company assets in Ontario compared to six companies sharing 64 per cent just two years ago?

I wonder whether he knows this is being done in spite of the fact that just one month ago the House of Commons finance committee recommended that the merger be blocked until the federal government had developed an ownership policy for financial institutions.

Mr. Speaker: Question.

Mr. Swart: Simply, what representation has the minister made to the federal government to prevent this merger?

Hon. Mr. Kwinter: Both of those financial institutions are federally chartered. I understand the federal cabinet is dealing with that. I have been in contact with them and told them of my concern, but I do not have any jurisdiction. I really have to wait and see what they do. There is really nothing we can do in Ontario because of that fact.

Mr. Swart: The Dupré report, which the minister tabled less than a week ago in this House, contained the following recommendation, "A basic principle of public policy shall be the encouragement of the development of widely held rather than closely held financial institutions." Then it goes on to elaborate to some extent on that.

Given that the minister has authority in this province to license these institutions or to refrain from licensing them, why does he not use the clout he has under this licensing power to exert the pressure necessary to stop the formation of this antisocial merger?

Hon. Mr. Kwinter: As the honourable member will know, I introduced loan and trust legislation that has as one of its basic precepts that we will have an equals approach, so that anybody doing business in Ontario will have to follow the Ontario regulations. This does not give us the right to interfere in the ownership of companies that are outside our jurisdiction.

11 a.m.

ALKYL NITRATE

Mr. Gillies: My question is for the Minister of Health concerning the sale of products containing a substance called alkyl nitrate which are available over the counter in this city. One such product is called Rush, which I will send over to the minister.

These products are sold and are readily available in this city under the guise of being room deodorizers. In fact, they are purchased by people for the purpose of inhaling them and getting high.

I remind the minister that for years the province prodded the federal government to regulate and control this dangerous product. On October 1, 1985, alkyl nitrate was finally classified as a prescription drug.

Why has the minister not issued the proper directives to his health inspectors, who are responsible for controlling the sale of prescription drugs, to get this very dangerous product off the shelves?

Hon. Mr. Elston: I thank the honourable member for the question. I will look into the matter, and if there has been a problem with taking the product off the market, I will check into how it can be done if that is required under our rules and regulations.

Mr. Gillies: I ask the minister to look at this very quickly.

Yesterday, when we spoke to the ministry's health inspectors, they said they knew this was sold in a lot of stores along Yonge Street. They knew it was a dangerous product and injurious to people's health, especially those with heart conditions. However, they would not look into the sale of the product or go to a place of business unless they had a specific complaint.

Several weeks ago, a grade 10 class from my riding was visiting the Legislature, and some students purchased this product less than two blocks from here.

Mr. Speaker: Is the member going to ask his question?

Mr. Gillies: My supplementary is, why is the minister allowing the flagrant, over-the-counter sale of this dangerous and illegal product when his inspectors know about it? Will he order an immediate crackdown to remove this product from the shelves?

Hon. Mr. Elston: I already have given my undertaking to look into the matter. I will report back to the member as well as to other honourable members in the House with respect to this. I will undertake to deliver to them a review of the regulation under which this question has been raised. I will indicate what response has been made to clear up any problems that may exist as a result.

YOUNG OFFENDERS ACT

Mr. R. F. Johnston: My question is for the Minister of Community and Social Services. It regards the Young Offenders Act and the recent case, of which we are all aware, of an obviously disturbed, 14-year-old Scarborough boy who has been sentenced to three years because the Child and Family Services Act fails to give to judges the power to mandate treatment for disturbed and mentally ill children. What are the minister's plans to change that legislation or to make sure that power is given to judges so we do not have inappropriate sentencing taking place in Ontario?

Hon. Mr. Sweeney: It is my understanding that it is not the Child and Family Services Act which denies judges the right to order treatment; rather, it is the federal Young Offenders Act.

I remind the honourable member that when the all-party legislative committee drafted that legislation, and I remember the discussions, we deliberately had a very narrow definition of treatment so a great number of other services could be offered outside that specific, narrow definition of treatment.

I agree with the member; I would like to see the Young Offenders Act changed.

Mr. R. F. Johnston: The minister knows that under the Ontario act, he has the power to give the judges that power; he has that capacity, as he does under the child protection sections of that legislation, which need to be changed as well. Will the minister act to change provincial legislation to make this possible?

Hon. Mr. Sweeney: Because of this case, we checked with legal counsel. We have been advised that we are not permitted to change provincial legislation such that it overrides federal legislation. The prohibition on a judge is clearly federal legislation, not provincial.

As far as the regulation and the guidelines are concerned, the one thing we have done is to point out to people that within the act there is a wide range of treatment procedures that can be carried out which are not specifically defined as treatment; for example, treatment given by a psychiatrist. We will broaden that non-narrowly-defined treatment area as much as we possibly can.

However, until the specific prohibition is removed from the federal legislation, I as the minister do not have the power to bring in an

amendment at the provincial level which overrides that prohibition.

Mr. Eves: Can we have the undertaking of the minister that he will definitely approach his federal colleague and impress upon him the need to get on with this? What steps has he taken and what undertaking will he make to all members of this House that it will be done?

Hon. Mr. Sweeney: In consultation with my colleague the Attorney General (Mr. Scott), we have indicated to federal authorities that there are some sections of the federal act we would like to see changed. I suspect the honourable member realizes the Honourable Perrin Beatty has already indicated very publicly that he agrees with us that some sections need to be changed and that he plans to do so this coming spring.

LOW-ALCOHOL PRODUCTS

Hon. Mr. Kwinter: I would like to respond further to the member for Peterborough (Mr. Turner) and the member for Welland-Thorold (Mr. Swart), who asked questions of me in this House on December 17 relating to young children buying beverages containing alcohol of less than one per cent per volume. I responded that I would look into the matter and get back to the members to let them know what we are going to do about it.

Since then, we have obtained information from the Alcoholism and Drug Addiction Research Foundation on this issue, and we have been contacting experts to obtain more information on the possible effects of these products on young children.

My staff are contacting the manufacturers to obtain any information they may have on the issue, but it is interesting to note that the manufacturers of Sarasoda say they have had not complaints whatsoever about their product.

We are going to continue to obtain more information on the possible effects of these products, and we are issuing a consumer alert to warn parents of the possible effects on young children.

We are going to be taking steps to encourage retailers not to sell these products to young children, and we are contacting the manufacturers and distributors to discuss taking further measures, such as putting labels on their products indicating they should not be sold to young children.

I believe this is a reasonable approach at this time. I will continue to monitor the situation and inform the House of any new changes.

INSURANCE RATES

Mr. Davis: I have a question of the Minister of Education. I have read his response to my leader's question regarding this government's action in dealing with the problem of school boards across this province obtaining liability insurance. In fact, his response was a nonanswer.

Therefore, I would like to ask the minister again whether he will inform this House now what immediate steps he will be taking to ensure that school boards having difficulty will obtain liability insurance by January 1, to afford protection to children in their buildings and vehicles and to the drivers and teachers, as prescribed in section 149 of the Education Act. What action will he take?

Hon. Mr. Conway: I regret my friend the member for Scarborough Centre takes such an unhappy view of what I thought was helpful. I think it is time for Christmas carols, not a Conservative cacophony.

Interjections.

Hon. Mr. Conway: I want calmly to assure my friend that, as I indicated to the Leader of the Opposition (Mr. Grossman) yesterday, this government will not see the schools of this province closed for want of liability insurance. We are aware of the concern.

My colleague the Minister of Consumer and Commercial Relations (Mr. Kwinter) has been in regular contact about the very excellent efforts his superintendent of insurance is and has been making with respect to bringing the school community to an understanding of what its options are.

I indicated to the Leader of the Opposition yesterday that one of the options that has been seriously explored is the establishment of a reciprocal insurance exchange.

Mr. Davis: The minister knows that cannot be done by January 1.

11:10 a.m.

Hon. Mr. Conway: We in the Ministry of Education are taking all the measures we think are necessary to ensure the matter is dealt with and resolved. The Minister of Consumer and Commercial Relations has indicated to me he is quite confident it can and will be resolved. In the next few days my officials, who have been meeting regularly with his officials and with representatives of the school board community, will be in a position to satisfy all the concerns of the honourable member and others who have these concerns.

Mr. Jackson: I thank the minister for his Christmas message of compassion and generosity. I sense we are getting closer to the answer to the question I posed yesterday.

While we can capture the minister in this Christmas spirit, will he and his government underwrite or guarantee the cost of any damages that might be incurred by a school board that is unable to get full or adequate coverage by January 1? That is 11 days away. Will the minister please give us a Christmas message of generosity and guarantee that no school board will suffer?

Hon. Mr. Conway: I do not want the member for Burlington South to be unduly exercised in this matter. We will take all measures to protect the school boards and their responsibilities. These costs are provided for in the general legislative grants.

I am quite confident the difficulty that has been brought to my attention by my friends in both opposition parties, which my colleague the Minister of Consumer and Commercial Relations has indicated is a widespread difficulty at present, can and will be resolved in a way that will be satisfactory to all concerned.

Mr. Swart: It is rather intriguing to hear a member of the Conservative Party asking for public auto insurance.

I would like to convey to the minister the letters I received from a number of trucking and bus companies asking that public insurance be put in place here as it has been in Manitoba, Saskatchewan and British Columbia. Will the minister recommend that to the Minister of Consumer and Commercial Relations so we can get out of this mess once and for all?

Hon. Mr. Conway: The member for Welland-Thorold can and should convey that correspondence to me. I am always pleased to hear the representations and to receive the correspondence that is usually forthcoming from that distinguished member of this assembly.

TRANSIT FARES

Mr. Reville: My question is to the Minister of Transportation and Communications. The minister will recall from his days on Metro Toronto council the interesting debates about the Toronto Transit Commission fare increase, which regrettably has become an annual event. Does the minister believe that a fare increase of more than twice the rate of inflation is appropriate, or will he commit his government to increasing the provincial subsidy of the operating cost of the TTC?

Hon. Mr. Fulton: Unfortunately, the member for Riverdale and I did not share Metro council together for a lengthy period, but I can assure him I did not find the debates on TTC fares quite as interesting as he has indicated.

The TTC is recognized across North America as probably the most efficient, best-operated major transit system. When we use statistics, it enhances the argument for the fare increase. The 12.5 per cent increase indicated works out at one nickel per ride. The fares are set by the TTC and approved by the Metropolitan Toronto council.

The TTC has never made representations to this minister in regard to added subsidies. While we subsidize the transit system to the extent of 62 per cent of the provincial transit budget, to enhance that would mean the other 71 transit systems throughout this province might be financially jeopardized in some way.

Mr. Reville: The provincial subsidy for the TTC is known across the country as being the stingiest subsidy offered to any transit system in the country. The minister's concern about this crummy nickel adds up to $120 a year for a family of four. Is it not time the Minister of Transportation and Communications threw away the old briefing notes he inherited from Mr. Snow and started to give serious consideration to helping transit users in this province?

Hon. Mr. Fulton: I can assure the honourable member that when I and my colleagues on this side entered our offices they were absolutely barren, save and except for the threshing machines or whatever one calls those things.

As the responsible minister, I am very concerned about the impact any increase would have on the users. Should the TTC, with which I meet on a regular basis, wish to discuss the 68 per cent subsidy levels, I am more than willing to do that.

LOANS TO MUNICIPALITIES

Hon. Mr. Grandmaître: On a point of order, Mr. Speaker: I have a response to an answer given to the member for Sarnia (Mr. Brandt).

Mr. Speaker: That is not really a point of order. That could have been a statement. Is it correcting the record?

Hon. Mr. Grandmaître: Yes, it is to correct the record.

Mr. Speaker: I am sorry.

Hon. Mr. Grandmaître: I would like to clarify an answer given last Wednesday to the member for Sarnia on special assistance loans to the city of St. Catharines.

There was no press release issued by the Ministry of Municipal Affairs on this loan. As the honourable member may recall, the Ministry of Municipal Affairs makes a number of special assistance payments to municipalities, not always accompanied by formal press releases. I would like the answer to show the correction.

Mr. Brandt: Mr. Speaker, can I respond to that?

Mr. Speaker: Not really.

Mr. Brandt: Is it within the order for me to respond?

Mr. Speaker: The order says that a member may rise and correct his or her own record. No one else can respond to that, period.

PETITIONS

ROMAN CATHOLIC SECONDARY SCHOOLS

Mr. Jackson: I have a petition to present in the House, signed by 198 constituents of the riding of Burlington South. This petition was prepared by the Coalition for Public Education, the text of which has been read into Hansard by several members.

Mr. Eves: I have a similar petition, signed by 153 of my constituents:

"Dear Mr. Premier:

"Ontario is a multiracial, multicultural and multifaith society that is well served by a strong public school system. Your government's proposal to extend public funding to the Roman Catholic separate secondary schools is a backward step since it will grant special status to one specific denominational group.

"We urge you and your government not to proceed with this divisive proposal and to preserve public education."

I am also sending a copy of the petition, as requested, to the Premier (Mr. Peterson).

Ms. E. J. Smith: I wish to present a petition from about 150 people throughout Ontario, several of whom are in London South, also on the subject of opposition to the extension of funding to the separate school system. I present this to the House.

Mr. McCague: I have a similar petition from members of District 27, Simcoe Division, Ontario Secondary School Teachers' Federation.

11:20 a.m.

REPORT

STANDING COMMITTEE ON RESOURCES DEVELOPMENT

Mr. Laughren from the standing committee on resources development reported the following resolution:

That supply in the following amounts and to defray the expenses of the Ministry of Labour be granted to Her Majesty for the fiscal year ending March 31, 1986:

Ministry administration program, $8,311,100; industrial relations program, $6,081,800; labour relations board program, $3,498,200; occupational health and safety program, $26,734,400; employment standards program, $5,240,500; human rights commission program, $3,675,500.

And further resolved that supply in the following supplementary amount and to defray the expenses of the Ministry of Labour be granted to Her Majesty for the fiscal year ending March 31, 1986:

Workers' compensation advisory program, $1,613,000.

MOTION

ADJOURNMENT OF HOUSE

Hon. Mr. Nixon moved that when the House adjourns today, it stand adjourned until 2 p.m. on Monday, January 6, 1986.

Motion agreed to.

INTRODUCTION OF BILL

AMUSEMENT DEVICES ACT

Hon. Mr. Kwinter moved, seconded by Mr. Offer, first reading of Bill 97, An Act respecting Amusement Devices.

Motion agreed to.

Hon. Mr. Kwinter: I am pleased to introduce for first reading today a bill intended to increase the safety of amusement rides and other attractions used by the Ontario public. The Amusement Devices Act will regulate the operation of amusement rides in Ontario.

At present, municipalities and local authorities have permissive authority under the Municipal Act to inspect and license such rides, but recent surveys have indicated that only a few larger urban centres have the financial resources and staff necessary to carry out this responsibility.

Available statistics indicate that the majority of serious amusement ride accidents result from operator error or rider misuse; however, there have been instances where accidents have been

caused by mechanical failure which possibly could have been avoided through a program of regulation, licensing and inspection.

The Amusement Devices Act will require that rides and similar devices operating in Ontario be licensed by the Ministry of Consumer and Commercial Relations and an annual permit issued, provided certain prescribed standards are met. In addition, the act requires that the person carrying on the business of operating rides also be licensed and makes it an offence to operate an unsafe ride or operate in an unsafe manner.

This bill also provides for the appointment of inspectors and empowers them to close down rides that are considered unsafe. In addition to traditional amusement rides and go-kart tracks, this act will govern the safety requirements of other attractions such as waterslides.

The overall safety record of amusement rides operating in Ontario is good and, in general, operators are conscious of the safety of rides under their care. None the less, I feel that provincial regulation of amusement ride safety will help to reduce further the possibility of accident and injury.

ORDERS OF THE DAY

ASSOCIATION OF MUNICIPAL CLERKS AND TREASURERS OF ONTARIO ACT

Mr. Newman moved, on behalf of Mr. Mancini, second reading of Bill Pr11, An Act respecting the Association of Municipal Clerks and Treasurers of Ontario.

Motion agreed to.

Third reading also agreed to on motion.

TOWNSHIP OF HORNEPAYNE ACT

Mr. Martel moved, on behalf of Mr. Wildman, second reading of Bill Pr29, An Act to continue the Corporation of the Township of Wicksteed under the name of the Corporation of the Township of Hornepayne.

Motion agreed to.

Third reading also agreed to on motion.

TOWNSHIP OF OSGOODE CARE CENTRE ACT

Mr. J. M. Johnson moved, on behalf of Mr. Sterling, second reading of Bill Pr33, An Act respecting the Township of Osgoode Care Centre.

Motion agreed to.

Third reading also agreed to on motion.

ONTARIO MUNICIPAL RECREATION DIRECTORS FOUNDATION ACT

Mr. Brandt moved second reading of Bill Pr40, An Act to incorporate the Ontario Municipal Recreation Directors Foundation.

Motion agreed to.

Third reading also agreed to on motion.

CITY OF KITCHENER ACT

Mr. Newman moved, on behalf of Mr. D. R. Cooke, second reading of Bill Pr44, An Act respecting the City of Kitchener.

Motion agreed to.

Third reading also agreed to on motion.

THIRD READINGS

The following bills were given third reading on motion:

Bill 42, An Act to repeal the Ontario Education Capital Aid Corporation Act and the Universities Capital Aid Corporation Act.

Bill 77, An Act to amend certain Acts respecting Residential Tenancies.

Bill 88, An Act to amend the Legislative Assembly Act.

Bill 89, An Act to amend the Executive Council Act.

Bill 90, An Act to amend the Legislative Assembly Retirement Allowances Act.

11:30 a.m.

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES AND RESPONSE TO PETITION

Hon. Mr. Nixon: I wish to table the answers to questions 46 to 71, 98, 129, 133, 134 and 139 in Orders and Notices, the interim answers to questions 125, 135 and 141, and the response to a petition presented to the House, sessional paper 268 standing on notice paper 40 [see appendix, page 2721].

WORKERS' COMPENSATION AMENDMENT ACT (continued)

Resuming the adjourned debate on the motion for second reading of Bill 81, An Act to amend the Workers' Compensation Act.

Hon. Mr. Nixon: Before we launch fully into the debate, we are all hoping to invite His Honour into the chamber to give royal assent to some of these bills. We are also hoping the House will adjourn at the normal hour. I thought perhaps I ought to mention that.

Mr. Gillies: I would indicate to the government House leader that this is also the hope and the intention of our party.

When we adjourned the debate last night, I was giving some of the background and history of this issue, speaking of some of the challenges and some of the problems that I think face the Workers' Compensation Board. These are issues that I hope the minister will take note of, such as the unfunded liability, the increase in assessment rate, and the staffing and management situation at the board, all of which bring us to the present situation of Bill 81, which is before us.

Interjections.

The Deputy Speaker: Order. Would people please stop their many private conversations in the House? Perhaps they could go into the lobbies: the Minister of Citizenship and Culture (Ms. Munro), the member for Hamilton West (Mr. Allen), the Minister of Housing (Mr. Curling) and the member for Sudbury (Mr. Gordon).

Mr. Gillies: I hope the minister will take note of some of these issues and challenges and act on them to strengthen the ability of the Workers' Compensation Board to serve its clients now and also to ensure that it will be able to service its clients in the future.

The Deputy Speaker: Order. I am sorry. I am advised that the government House leader has moved adjournment of this debate. I am sorry; the debate is completed.

Hon. Mr. Nixon: No, I am sorry, Mr. Speaker. You have already pointed out that there are many conversations going on, and I am a part of one of them. I am sorry; I did not get the drift of what you said.

The Deputy Speaker: By moving the adjournment of the debate, the government House leader indicated that the member for Brantford (Mr. Gillies) was completed.

Hon. Mr. Nixon: Oh, I see what you mean.

Mr. Gillies: That was not supposed to happen.

The Deputy Speaker: Do we have unanimous consent for the member for Brantford to continue and for the debate to continue?

Agreed to.

Mr. Gillies: Again I thank you, Mr. Speaker. I will be brief.

The point is that the history of workers' compensation from the Weiler report to the present indicates a pattern of reform. Professor Weiler recommended in his report that there should be some form of indexation.

Mr. Timbrell: On a point of order, Mr. Speaker: I want to be clear that you will allow other speakers after the member for Brantford in order to complete the debate, not just to complete the contribution of that member.

The Deputy Speaker: Yes, that is correct.

Mr. Gillies: Thank you, Mr. Speaker. I am really trying to get on a roll here.

The process of reform of workers' compensation that started with Professor Weiler's report has continued unabated, perhaps not with the speed many of us would like. However, we have had the recommendation of Professor Weiler that some form of indexation of workers' compensation benefits be brought in. We have had the white paper report that the former government commissioned, again recommending that in reform of compensation benefits the benefits should allow for the annual review by cabinet and possible adjustments for inflation by cabinet on an annual basis.

We then had the 1983 recommendations to the standing committee on resources development, which pointed out some of the problems with the indexation process. However, at the same time we have to consider these things against the background of annual and reasonable increases being granted by act of this Legislature to the injured workers who need them so desperately.

After due consideration, I am very pleased to be able to inform the House our party will be supporting Bill 81 and we believe the time has now arrived for annual increases, however determined, to be granted the clients of the Workers' Compensation Board, not as a matter of annual legislative review but as a matter of right and as a result of automatic increases. I believe this decision finds a great deal of support among members of the Legislature and indeed has the support of our caucus.

I want to turn to the clause concerning the one-time increase being granted dependants of deceased injured workers. Our government intended to bring that in over a period of time through a four-stage increase, I believe. Frankly, if the minister wants to bring it in at one increase, I have no problem with that and we will be supporting that part of the bill also.

The other feature of the bill is the change of the superannuation arrangement for certain employees who will now be working somewhat at arm's length from the board and therefore need changes in their superannuation package.

I would caution the minister to look back at the debate surrounding this issue in the last number of years. Concerns have been expressed at

various times about indexation per se and also about indexation based on a single index such as the consumer price index.

I do not have any hesitation that the route we are taking in Bill 81 will work, but the minister may review the arguments that were made at one time suggesting perhaps it should be a blend of CPI and the average industrial wage or that, by tying to one form of indexation, we can build a certain inflexibility into the system which, depending on the inflationary cycle, may or may not be desirable.

The bottom line is that the thousands of injured workers in the province–for whom I believe probably at one time or another each and every member of the assembly has worked, represented and tried in his or her own way to make life better–are now going to benefit from an annual increase at the rate of inflation, which will not necessarily have to come before this chamber.

As an individual member, I have represented and worked on behalf of hundreds of injured workers. I know members of all three parties, some of whom have been here many years longer than I, who have toiled endlessly in this regard.

I believe the time has now come when the available resources should be put before these people with annual increases and with further reforms, which we were looking at subsequent to Bill 101 and which we envisioned as phase 2 of the reform package.

We urge the minister to continue his efforts to make life better in every way we can for some of society's weaker citizens, some of the people who do not have the loudest voices; to reform the operations of the board to make judgements and justice under the WCB speedier and more accessible, and to continue a pattern of reform which started with Bill 101 and which, with the support of the incumbent government and every member of this House, can continue as we reform workers' compensation into the future.

11:40 a.m.

Mr. Rae: I appreciate the opportunity to say a few words in this debate. I cannot resist commenting on the remarks made by the member for Brantford as spokesman for the Conservative Party and simply indicate to him that I am delighted the Friday version of the Conservative Party's policy on workers' compensation has changed from the Wednesday version, which we all read about in the daily press. It is a tribute to the flexibility of the modern Conservative Party that the Wednesday policy has no obvious impact on its Friday policy. We should all marvel at one of the modern wonders of the world as the member for Brantford makes his graceful exit from the chamber.

Mr. McClellan: Actually, he changed his position overnight.

Mr. Rae: As the member for Bellwoods has pointed out, he actually changed positions overnight, which we all know is a very dangerous practice and can cause real problems to the spine if it takes place too regularly and with too great a frequency.

I wanted to participate in this debate because of my own personal feelings about the questions of workers' compensation and reforms to the act. I think I have mentioned in this House on other occasions that 11 years ago, in 1974, I was carted from the front of the Legislature by one of the members of the local police constabulary because I was involved in organizing and participating in a march and demonstration of the Union of Injured Workers.

If my memory serves me correctly, it was in the winter, in November and December, 1974, that we began systematic demonstrations at Queen's Park and across the province to get reform of the legislation.

I do not want to describe every case I have ever argued before the board since that time, but I do want to tell the minister the decisions of the House today, which will now be made apparently unanimously, to provide for indexing and to increase the level of pension benefits to survivors of those who died on the job before April 1 of this year, are really just symbolic gestures.

Nothing has infuriated our caucus more than the annual ritual prior to Christmas and prior to the end of June when we go through this process of trying to put pressure on the government to bring in some changes and improvements. In some years we were successful and in some years we were not.

What particularly bothered me about the Christmas approach of the previous government was that there was actually a benevolent smile on the faces of many of those in cabinet and elsewhere as they handed out what they thought was an example of Christmas charity to those people who had been injured on the job. Injured workers do not want charity; they want justice.

That message has got to be delivered crystal clear, time and again. The idea that handing out some kind of emolument on an annual basis should make us all feel good is an insult to modern relations between people.

Because of the minister's own experience as a member and because he is now responsible for the board, I know he is aware that the agenda for

reform on workers' compensation is very deep and very extensive. There is a major problem which no government in this province has yet had the ability to tackle.

This major problem is twofold. First, the level of compensation provided for people with permanent disability in no way at the present time compensates people for the level of economic and wage loss they suffer. All of us in this House have faced the tragedy and the absurdity of having somebody come to our office who is in his 50s and who has a back disability which is obviously and patently serious. It is obviously so serious that he is not able to work in a job he has been doing for 25 or 30 years. When one asks what he is getting for a pension, the answer invariably is $200 a month, $250 a month or $300 a month.

The previous government was not able to deal with the issue. The process of reform that began with Bill 101 was not able to deal with the issue. The government was not able to develop a consensus among all the groups affected by injuries on the job. We are more than willing–indeed we are determined–to work with all those groups, the government and the board, to see that we get a solution to this problem of the extent of disability that is not compensated and is not met by payments from the board.

The second problem I want to raise with the minister is the job problem, which we look forward to dealing with again in 1986. I know the rehabilitation services have been reformed. We have all been involved and have noticed the changes that have taken place, but it is not simply a question of what the board does; it is a question of what the world of employment does.

Together with my colleague the member for Hamilton East (Mr. Mackenzie), who has moved many bills and private members' resolutions on this subject for many years, we are going to fight to see that injured workers have access to employment and jobs, and that they have access to guaranteed ability to work and get back on the job. That means reforming the world of private employment as well as the world of employment in the Ontario public service. That has to happen.

We are not going to deal with these problems on the basis of welfare. There are many people who want to work, and who are able to work, but for whom there are no jobs because of the nature of the labour market and the very inadequate laws we have with respect to affirmative action for people with mental or physical handicaps.

I take pride that the government has finally come around to our point of view. I take pride, as I have had occasion to do many times this week, that finally the government is moving in areas in which we have been urging it to move for many years.

I cannot help but observe that this is not the first time this amendment has been voted for by the New Democratic Party. Indeed, we have moved this amendment. We moved it last June and July, and we moved it the Christmas before. We have moved it literally dozens of times since the early 1970s.

I am delighted the members of the other parties have finally seen the light, and that literally 10 or 15 years after the New Democratic Party began moving this amendment to the Workers' Compensation Act we finally have the change. We finally have the other parties coming on side, indicating that they, too, support the principle that inflation should not eat away at the pensions of injured workers.

I take great pride in that achievement. I want to end by paying tribute to my colleagues in the party who fought for so long. With those of my friends who are here today and know how important this move is symbolically for the injured workers movement in Ontario, I say that the minister knows this is just the beginning of a reform and of a fight we have yet to win, but are still determined to win.

Mr. Hennessy: I am pleased to have the chance to speak in this debate. People judge a community by how it treats its injured workers and residents. If this bill is passed, I think people will judge the members well.

I represent the people of Fort William riding and the city of Thunder Bay. All are working to build a better life for the northwest. From the response I have had in my riding, this bill is well received by the people of Ontario and Thunder Bay.

I support indexing workers' compensation benefits. We see indexing for wages; why not indexing for benefits? Indexing these benefits moves the entire area out of the political arena. Benefits will no longer be a political football to be kicked around in this Legislature every year. People now will know what to expect from the program. Injured workers, other workers and management all will know, or at least have a good idea, what workers' compensation will have to offer from year to year.

11:50 a.m.

Few members of this House do not have to deal with workers' compensation cases. The compensation process is complex. It is easily misunderstood by both workers and management. Any

move that provides an extra degree of clarity on how compensation works should be supported. Improving indexing provides clarity; that is another reason I am going to cast my vote in favour of this legislation.

I think all members agree that workers should expect compensation for injuries covered while on the job site. I do not think any member disagrees with that idea. The Workers' Compensation Board has been part of our province's history since 1914, when it was set up by one of the greatest Conservative administrations this province has seen. To my mind, indexing falls in line with the original concept behind the founding of WBC and the setting up of the benefits program.

Injured workers and their families suffer enough when dealing with the reality of their injuries and the slow, painful task of recovery. They should not have to worry about the level of support they will be receiving from the province. Indexing removes that worry. The benefit is that they know it will be fair because it represents the performance of the economy that year.

Let me remind all members that each and every one of us was sent here to represent a riding. We were all sent here to do the best we could to represent the people who elected us. I know how important the bonds of parties are. I know that the whip, the House leader and my leader are all aware of my stand on this issue. The people in my Fort William riding and my conscience have told me to vote for this bill. I know all my colleagues will understand my position. I thank them for their understanding and respect.

In conclusion, I will vote in favour of this bill. I believe it will help reduce many of the problems that injured workers have had with the compensation system.

With regard to a regional office in Thunder Bay–I understand there is going to be one in Hamilton, perhaps another in Ottawa and another in Windsor–I ask the minister to give serious consideration to instituting a regional office in Thunder Bay, as we discussed the other day, if he would be so kind.

I wish to thank the minister for bringing in the bill. I think it is a good bill. I wish him and his family a merry Christmas.

Mr. Mackenzie: My remarks on this bill will once again be very brief. I want to indicate to the minister and to the House the pleasure I feel that we are dealing with this item, probably as the last item here today, and that it will be through and be in place for the injured workers of Ontario.

I want to indicate briefly that we still have some problems to deal with regarding the Workers' Compensation Act. We have to take a look at what is probably the major issue, which is the access of injured workers to employment or work and what I call the light-work syndrome, which is a bit of a farce as far as employment for injured workers goes. It just does not exist in most places of business.

However, I think we may be on the way. With the continued concern and support of the current minister, I hope we will see the additional changes that are needed to update worker's compensation in Ontario.

With regard to the bill itself: while I am pleased to see it, what we have really done here today is to answer a commitment I have heard members of all parties make to injured workers for far too long, a commitment based on just a little bit more fairness, a commitment that should have been fulfilled a long time ago. However, I am extremely glad to see it put in place here today and I do support Bill 81.

Mr. Shymko: I, too, join my colleagues in supporting this bill, which I intended to support from the very first day it was introduced. I want to reiterate the words of Professor Weiler, who said:

"It is long past time for Ontario to make an explicit judgement of policy about the problem of workers' compensation and inflation, and to develop legislative criteria and a procedure which will deal with the issue in a relatively principled and nonpartisan fashion."

This is what we are seeing today. I know the present Minister of Labour, when he was Labour critic, quoted these very words in committee in expressing his views, which at the time were to tie in the injured workers' benefits, not with the consumer price index but with the average industrial wage.

Something has happened since. I am sure he has had more consultation and decided to change this. I would like to know what transpired and why he has made this change, but I do want to say that since having been elected to the Legislature, I fought for every appeal and every WCB case that came before me, and I am proud to do this as are other members. The member for Dovercourt (Mr. Lupusella) certainly has done this over the years.

I am pleased with many of the changes, such as the worker adviser who will help us, but in case after case I saw the tragic state of many injured workers who could not keep up with inflation. No matter the great eloquence we may hear in

these chambers on some of the objections or problems that people may have surrounding this, there is a saying which is perhaps not as eloquent, namely, "You can go a long way with your mouth, but you go all the way with your facts." The facts and the credibility based on facts have made this legislation possible.

I want to say, and these are the facts, that since 1975 to this day we have had an increase in inflation with which the injured workers did not keep up. For example, from 1975 to 1979, the inflation adjustment increases of benefits were 37 per cent, while the CPI increases were 45 per cent. The injured workers were behind by eight percentage points.

From 1980 to 1985, the benefits these injured workers receive increased by a total of 43 per cent, while inflation was at 48 per cent. Again, the injured workers were five percentage points behind. That is a total of 13 percentage points by which benefits have lagged behind the inflation rate over the last 10 years. These are the facts and they have made this legislation possible and have the support of all of us.

In conclusion, there are some serious problems that will have to be addressed. I know the present unfunded liability is at some $2.7 billion. I do know it is, and we all share that it is, becoming a great burden on many employers. We may want to try to address this very serious matter before it reaches crisis proportions and to look at some options of shared responsibilities between employer and government in order to alleviate this trend.

While addressing the issue in principle, Professor Weiler said, "There should be no question about the entitlement of workers' compensation claimants and pensioners to inflation adjustments as a matter of right." We recognize this as a matter of right today. We know it will be of great benefit and appreciated by many families of injured workers.

Although he claimed these adjustments should be made automatically for almost all new claimants, he did indicate one point which I hope the minister, if he listens for a minute, will address. I know he is deep in conversation with an honourable colleague, but I want the minister to listen to what Professor Weiler said. He said:

"However, this would not be true of existing pensions, those which were granted to workers some time earlier. These benefits must initially be calculated with reference to the wages then paid the injured worker. As these figures are eroded by inflation, a positive initiative is needed to revalue them."

We really have to revalue some of the benefits injured workers received when they were injured 20 or 25 years ago. There is a crying need for that. I hope the government and the present administration will also address the problem of a freezing of injured workers' incomes at levels without regard to the normal increases that have accrued to their peers over the years.

I again compliment the government. I believe it has the support of all the members of this Legislature. If there is any measure of a civilized and compassionate society, it is the way governments treat those who are at the bottom of the socioeconomic scale, those who are in dire straits and those who need a helping hand. This is what we have done today.

12 noon

Mr. Laughren: I too would like to speak very briefly on this bill. I am not sure I thought I would ever see the day when we would be indexing injured workers' benefits. I am certain of one thing, that we would never have seen the day if the government had not changed.

The Conservatives had an unbelievably paternalistic attitude towards injured workers. If workers wanted an increase, they could come before the Legislature with a tin cup and plead for it once a year. There is no question about that; history speaks for itself. I am very pleased we are able to be here today debating this very bill.

I do believe some credit should be given to the injured workers' groups, the Association of Injured Workers' Groups, the Union of Injured Workers and all the other organizations, the legal aid clinics, etc., that made a tremendous effort. They never gave up over the years in fighting for this to happen.

It is not the kind of thing that is going to bankrupt the private sector. The injured workers were getting an increase every year anyway. The only difference was they had to plead for it; so why not index it so they do not have to do that?

There has never been a question in my mind, if I could paraphrase what the member for High Park-Swansea (Mr. Shymko) said, that the way one judges the civility of a society is how it treats its people who are not so young and not so swift. Injured workers are a good example of that. We simply must provide for them the standard of living to which they are entitled.

I have always felt it was hypocritical of society to say to workers: "You are engaging in something we consider to be good, namely, the work ethic. But if as a result of engaging in that work you are injured, society is going to penalize you for having believed in the work ethic so

strongly." That is why I am very pleased about this change.

I have seen nothing over the years that has changed my mind about the long-term answer to the problems of injured workers, which is to abolish the Workers' Compensation Board as we now know it and to put in its place a comprehensive social insurance system that pays people regardless of the source of their injury and regardless of fault. The employers would still pay their share. As a matter of fact, for the first time the employers would pay their share. I do not believe they do at present.

As a long-time member and present chairman of the standing committee on resources development, I have heard the argument about the unfunded liability; and while I do believe it is a problem, I think it will be addressed most appropriately when employers in Ontario collectively manage to reduce the accident rate to more civilized levels.

I am pleased to be able to engage briefly in this debate and to commend the minister for having brought this bill through his caucus.

Mr. Barlow: I too would like to join briefly in the debate, having been involved, as have the Minister of Labour (Mr. Wrye) and the member for Nickel Belt (Mr. Laughren), from the time we were reviewing the Weiler report and the white paper. There was a lot of debate and consideration at that time on the route to take in relation to inflationary problems that arise and how best to address them.

During those debates and in our response there were two dissenting reports on this item. One dissenting report, from the Liberal Party, the official opposition of the day, was to tie indexing to the average industrial wage. The third party recommended tying inflation to the consumer price index. Perhaps the minister in his response can say why he made the choice he did.

Although it seems the bill will have the unanimous support of the House, there is one item I am glad the minister has addressed; that is, the differential in spouses' allowances, where they will get an extra 10 per cent, which they certainly deserve. As my colleague the member for Brantford pointed out, we were going to stage it over a period of time; however, it makes no difference whether it is done all in one move or staged.

I want to address briefly the major concern of the employers, who I believe are paying their fair share of workers' compensation, and more than their fair share in many cases. The unfunded liability is a very sincere concern of employers. As the minister knows, all the employer groups that came before us, as well as some of the injured workers' groups or labour-related groups, expressed their concerns about the unfunded liability.

The minister is going to have to take a look at that. The ball is now in his court. It was in the hands of the previous government, which was looking at many options at that time. I am sure those options are still out there to be looked at.

I am sure also that the entire community—that is, those who are involved from both the workers' and employers' points of view—will support the idea that we want to look after injured workers on pensions, who require the assistance of indexing of their pensions.

The consumer price index is one alternative and perhaps one that will work. However, the workers must realize they will be getting this increase of 1.7 per cent or 1.9 per cent in January or as soon as the mechanics are worked out. They will not be getting what has been the traditional five per cent in July. That will not happen in July 1986; from then on, as the consumer price index fluctuates, so will the remuneration that the injured workers will receive.

I will conclude my remarks by commending the minister for this step. It will certainly get my support and that of my colleagues.

Mr. Lupusella: I am pleased to rise and join in the comments that have been expressed by other members on the floor of this Legislature in relation to the principle and contents of this bill.

I want to remind the minister of two items for which I think he has a responsibility and to make sure that all these benefits will be closely monitored by the minister. I hope I will not get phone calls in my constituency office from injured workers saying they got the increase late, or they were not aware of it or learned about the increase by talking to others. That procedure has been used in the past by the previous administration, and it is surely a very paternalistic way of dealing with injured workers.

I remind the minister that since three or four years before the time I was elected a member of the provincial Legislature to represent the riding of Dovercourt, this issue, in addition to the other issues that have been pursued by the organizations representing injured workers across Ontario, has been a basic item that has occupied the members of this provincial Legislature.

12:10 p.m.

In the estimates of his ministry, the Minister of Labour made one comment which impressed me very much. He stated: "Early on in the govern-

ment's mandate, I publicly described my function as being minister for labour as well as of labour. This casual description evoked many telling remarks of rebuke and reproach from certain sources decrying an 'ever-expanding, intrusive' ministry mandate."

If the minister keeps in mind the principle contained in this paragraph from page 3 of his opening remarks on the estimates of the Ministry of Labour, injured workers across Ontario should feel safe.

Another point that should be brought to the attention of this Legislature is that injured workers have been exploited through the years. We have been exploited ourselves, considering the work that has been done by so many members of this Legislature in appearing before appeals boards and trying to present the needs of injured workers which were not taken into consideration by the legislative principles contained in the Workers' Compensation Act.

While members of the public may think the increase for injured workers in this bill is generous, I have to show the opposite side of the coin. It is not generous at all if we consider the increases that were granted on the floor of this Legislature by the previous administration and other legislative penalties that have been imposed on members of the public at large in Ontario.

We have to draw the final conclusion that while injured workers eventually got a five per cent increase, perhaps the Minister of Revenue in the previous administration was stealing the injured workers' money from other sources, especially when property taxes went up.

If we consider other generous increases that took place on public sector rents, for example, or even for the managerial staff at Queen's Park, and compare those to the increases for injured workers, it is fair to say "Mea culpa" in trying to consider the seriousness of the social problems encountered by injured workers.

I may talk for too long, or I may talk for hours, but I want to remind the minister that I am not extremely happy. I can demonstrate why I am not too happy. Next year, I hope he will not come out with amendments affecting injured workers before Christmas. We must have a reasonable debate on changes affecting injured workers at large in Ontario. I do not think I should feel compelled by the fact that we have to rush legislation all at once.

The Deputy Speaker: Order. Perhaps the member would like to reconsider the word "stealing," which he used about the previous Minister of Revenue. Perhaps he would like to withdraw that word and change it to another.

Mr. Lupusella: I will withdraw that statement. I will say instead that other agencies of the government, through legislative proposals, have taken away some money from people in Ontario. I am sorry if there was an innuendo involved in that statement, which was not clearly described in my mind.

If I may, I will continue with my remarks. The minister was so proud to introduce this legislation by stating that the Liberal Party had actually run on this issue. Members of this Legislature stated that part of the credit should go primarily to injured workers' organizations across the province that are fighting for injured workers. Of course, we give credit to the new government for introducing this bill, which is finally going to end one of the major demands that has been pursued by injured workers in front of Queen's Park.

I want to conclude my remarks with this statement. I hope that when the House reconvenes, the Minister of Labour will introduce some unsettled items affecting injured workers across Ontario. I hope he will give us a political forum in which we can make adjustments and modifications and in which the concerns of injured workers can easily be taken into consideration.

I remind the minister in a final comment that we have been faced with study after study and with different reports through the years. It is fair to say that all these needs will be addressed, but I hope the minister will share my sense of frustration along with the sense of frustration experienced by injured workers across Ontario for so many years.

Mr. Gordon: I consider it a privilege to be able to rise at this time to add my voice to those of the other members of the Legislature who have spoken so eloquently about the necessity of seeing that injured workers benefit from the indexation of the moneys they receive. Any of us who have worked with disabled or injured workers are very conscious of the trying economic circumstances they face and the hardships that are placed upon their families by disability pensions that are quite often very low.

When one considers the concept of the work ethic, which we talk about from time to time, the majority of the injured workers in the province today are certainly people who exhibited that work ethic. They are people who were not hesitant to go in, work as hard as they could for whatever company they were working for and try

to do more for Ontario and for their families, but who had the misfortune to be injured on the job.

As a result of those injuries, many are denied the opportunity to have the same kinds of luxuries and opportunities as others have to travel and to give their families the kinds of things they like, because they just do not have the money. I do not think that by indexing this to the CPI we are being overly generous. As a matter of fact, we are going to have to look for new policies aimed at finding better ways to develop a better system to compensate injured workers in Ontario.

I would also appreciate it very much if the minister would look seriously at encouraging the Workers' Compensation Board to establish a rehabilitation centre in the Sudbury region for injured workers in northeastern Ontario. I say this because it is very difficult for northerners to travel constantly down to Toronto at a very difficult time–when they are suffering from the aches and pains of their injuries. I ask him to remember too that not all those workers are males; many are women, who often have to leave their children in the north when they come down here for a period of rehabilitation.

12:20 p.m.

I ask the minister to take that under advisement, and I look forward to a positive reply at some time in the future.

Mr. Grande: I want to participate in the debate for a few minutes. When victories finally come, words are not necessary.

Over the years, members of this party in particular have had to speak at length, to yell and scream in concert with the injured workers who were demonstrating outside this Legislature. We joined the injured workers at Bloor Collegiate Institute almost on a yearly basis, if not more often, when they were trying their best to inform the former government of their needs and their concerns.

Today, therefore, is what one may define as a moral victory for injured workers in this province, for the Union of Injured Workers and for many others who have been battling alongside them for indexation. They will no longer need to come here on a yearly basis and demonstrate. They will no longer need to demonstrate in front of the Ministry of Labour headquarters. For that reason, this is a good reform.

It is a reform for which the injured workers and this party have been calling for a long time. To give an idea of the length of time, it was in 1968 or 1969–I do not remember the exact year–I attended my first meeting with injured workers in this province at Bloor Collegiate Institute. At that time, the injured workers were making three demands, first for indexation of pensions, second for proper compensation and third for rehabilitation.

We still have to work hard to get proper compensation, rehabilitation and jobs. The reforms seem to be coming in dribs and drabs, but I am happy about this development. I am happy about this bill and I am happy for the injured workers. At last they do not need to come to this place, cap in hand or cup in hand, demanding increases every year. We can say, on this point at least, that justice has been done. All the injured workers ever wanted was justice.

I agree with the member for High Park-Swansea who said the increases in injured workers' pensions have been lagging behind inflation for 10 years. That is when I arrived in this Legislature and I fully concur with the member that the increases have been lagging for 10 years. I am happy to see that today he is supporting injured workers, so they no longer need to lag behind inflation in Ontario.

I do not want to say anything else. As I said, words are not necessary. People know who has been in power for the last 10 years, so I do not need to discuss that.

I do want to say to the minister, however, that jobs are important for injured workers. When injured workers are told to go out and find a light job, the WCB and the minister know the jobs are not available. Those jobs cannot be found. It is tremendously difficult for them to go around and find jobs.

Many show me their job searches, which speak volumes about the number of places they have gone to, the doors they have knocked on and the job refusals they have received. The rehabilitation department requires these job searches and so they continue. It is most degrading for any human being to subject himself or herself to that. It is not that they should not look for work, work is dignity; however, to be subjected to that undignified situation is not dignity for a person.

Therefore, sooner or later we have to come to this Legislature with a bill that will guarantee injured workers a certain percentage of jobs at a company, jobs that are light in nature and that an injured worker can perform. Those jobs have to be guaranteed to injured workers. That is another reform that is required in Ontario. I am certain we will move towards it.

As I said before, I want to pay tribute to the members of this political party, to other members of this Legislature who are supporting this bill

today and to the injured workers movement which for many years spent a tremendous amount of energy in battling under tremendous pain for this reform. I hope everybody in this Legislature appreciates that people were coming before us in pain, asking for and demanding certain things. Basically, what they were doing was asking for nothing more than justice.

Mr. Foulds: I want to speak briefly on this bill. Of course, we support it. It is an important reform. My colleague the member for Oakwood (Mr. Grande) said that words are not necessary; I say that words are not enough.

The principle of indexation of pensions is a minor but very important reform. Like many members of this Legislature, my very first constituency case after I was elected was a compensation case. More than 50 per cent of my constituency time deals with compensation cases. I suspect the last case I do before I die will be a compensation case.

One reason a member gets so many cases is that he often gets workers who come to see him who do not have enough money to live on to keep their homes together, to keep their homes, period.

As my colleague said, it is not merely the money, it is the dignity that is involved. It is the indignity of having to wait every year for a pension to be increased. This bill will remove at least that indignity and therefore the bill gives not only justice, but also a sense of dignity.

Compensation generally needs to be reformed in a major way. Instead of going down, the compensation load in Thunder Bay, including in my own riding, has increased. It got so bad that in the early part of November the legal aid clinic in Thunder Bay had to tell injured workers it could no longer take any further cases or appeals. After another week, my office had to say the same thing, that we simply could not take any more compensation cases before Christmas because we could not do them justice along with the ones we already had. That is a very serious thing that needs to be undertaken.

12:30 p.m.

I have written to the new director of the workers' advisory branch and he has told me they will be establishing an office in Thunder Bay with three workers there. However, that is not yet in place and it must be one of the next significant thrusts of a major upgrading of that branch in locations across the province.

In conclusion, I am delighted to be here today. I am delighted the voices representing the Tory party overcame their initial reluctance to support the bill and that they did not see this as an act of terrorism against the companies but as an act of justice for the workers.

Mr. McClellan: I want to take a few minutes to participate in the debate. For many of us, this is a red-letter day, to see an act in this Legislature that brings in an automatic cost-of-living increase after so many battles and struggles going back so many years. It is a very special moment for me and many of my colleagues.

I got interested in politics and ran and worked in the riding I represent prior to 1975 largely because of the workers' compensation issue. A number of us who are still in this House were involved in the early struggles of injured workers to organize against the injustices and racist discrimination of the WCB in the early 1970s, particularly against Italian construction workers. Fortunately, those days have gone for ever and are nothing except a bitter memory now.

The question of an automatic cost-of-living increase became a symbolic focus for all the injustices the compensation system inflicted on workers in this province. Efforts to organize and fight for the rights of injured workers focused on the issue of an automatic cost-of-living increase. There are still many issues that need to be resolved and many reforms that have yet to be introduced, but it is a major victory for injured workers to have a bill passed in this Legislature which establishes that injured workers have a legal right to an automatic cost-of-living increase and do not have to go cap in hand to the government of the day to beg for what is rightfully theirs.

There are a number of other concerns we will continue to address. We encourage the Minister of Labour to continue to fight within his ministry and the Workers' Compensation Board. We are pleased about the establishment of the workers' advisory system and are looking forward to working and co-operating with the workers' advisers to assist our constituents.

We feel that office will have to be expanded even before it has been fully established. I am sure the minister is aware there has been a tremendous flood of applications and requests for assistance directed to the workers' advisers. It is a measure of the trust the new workers' advisory system has been accorded by the community; a recognition it is independent, impartial, fair and separate from the WCB. For the first time there is a government agency that is seen as impartial, offering real, effective advocacy service. It is a measure of that acceptance that it is flooded with requests for assistance.

I know the minister is monitoring that very carefully. He will make sure the new workers' advisers have the resources they need with respect to advocates on staff to do the job, and that branch offices in Thunder Bay, Sudbury, Sault Ste. Marie, and eastern and western Ontario will be set up and staffed as quickly as humanly possible so that injured workers in all parts of this province will have an opportunity to receive effective advocacy service from the government.

Again, we rejoice at this legislation. A number of initiatives have come through this week, starting with rent control, to a new housing supply program, an end to extra billing and acid rain; but the one that touches my heart most is this one.

Hon. Mr. Wrye: I thank my colleagues for their very positive remarks in the debate. I want to touch on a couple of matters.

First, let me touch on one matter I did not mention in my earlier discussion on second reading but that I think honourable members will want to know about as they go back to their ridings for Christmas. I am informed by the Workers' Compensation Board, as I look forward to passage of this bill in the next few minutes, that the adjustments we will be voting today are the first steps to formalize the indexation. Those adjustments will be in effect for the beginning of January. This is an added small Christmas present and we will have it under way right away.

The member for Brantford in his remarks this morning, when he got around to indicating his position on this matter, commented about the indexation factors and whether we ought to blend them. My friends the member for High Park-Swansea and the member for Cambridge (Mr. Barlow) also spoke of the earlier comments and the earlier position that I and our party had taken with respect to the use of the average industrial wage.

Quite candidly, last summer we indicated to the House that we would be consulting with both business and labour. We did so and it was the view of both communities that if the government chose to move forward with a formula of indexation, the consumer price index should be used.

In addition, in reviewing very carefully the decision to use the CPI or the AIW, the AIW provided some degree of lag that was not present with the consumer price index. As a result, the government decided that the CPI, which over the decade–not every year, but over the decade–has yielded about the same change as the AIW, was the method of indexation to use. With respect to the comments of the member for Brantford as to whether we might have used a blend of indexation factors, I do not think they would have yielded a substantial difference and they might have been confusing to all.

The member for Cambridge and a number of other members, from the official opposition in particular, spoke of the issue of the unfunded liability. We as members of the Legislature have to be sensitive to that issue. I believe the board is moving to address that very important question in a very meaningful way.

The presence of Doug Peters on the new corporate board of the WCB indicates the commitment of this government towards putting on the corporate board the kind of expertise to deal with that very important financial matter.

I am delighted there is the spirit of unanimity as we move towards Christmas. I am not sure there was total unanimity in this Legislature on Tuesday. I want to be gentle because we are in a season of goodwill, but I listened to my friend the member for Fort William (Mr. Hennessy) and his remarks seemed to anticipate a difference and divergence of opinion with what might have been an earlier point of view of the caucus of the official opposition. However, I am delighted that he and my friends the member for Sudbury (Mr. Gordon) and the member for High Park-Swansea and others who have spoken so eloquently today were able to bring their somewhat reluctant colleagues around to this position.

12:40 p.m.

Let me wind up my remarks by indicating that in the remarks of my friend the member for Port Arthur (Mr. Foulds), he touched on an important word, "dignity." This is an important symbolic change. This legislation speaks to the overall issue that the government believes in, that we should be moving to bring dignity to injured workers.

As the government moves forward in the next months and years to address the other very difficult issues–issues of rehiring of injured workers, of rehabilitation of injured workers, of how we deal with the permanent disability rating–the government is committed to moving forward in a new spirit, a spirit which all but guarantees that in our changes we will attempt to bring real dignity as well as real justice to injured workers in Ontario.

Motion agreed to.

Third reading also agreed to on motion.

Hon. Mr. Nixon: Mr. Speaker, His Honour the Lieutenant Governor is waiting to give royal assent.

The Honourable the Lieutenant Governor of Ontario entered the chamber of the Legislative Assembly and took his seat upon the throne.

ROYAL ASSENT

Hon. Mr. Alexander: Pray be seated.

Mr. Speaker: May it please Your Honour, the Legislative Assembly of the province has, at its present sittings thereof, passed certain bills to which, in the name of and on behalf of the said Legislative Assembly, I respectfully request Your Honour's assent.

Assistant Clerk: The following are the titles of the bills to which Your Honour's assent is prayed:

Bill 17, An Act to amend the Highway Traffic Act;

Bill 42, An Act to repeal the Ontario Education Capital Aid Corporation Act and the Universities Capital Aid Corporation Act;

Bill 77, An Act to amend certain Acts respecting Residential Tenancies;

Bill 80, An Act to amend the Planning Act, 1983;

Bill 81, An Act to amend the Workers' Compensation Act;

Bill 88, An Act to amend the Legislative Assembly Act;

Bill 89, An Act to amend the Executive Council Act;

Bill 90, An Act to amend the Legislative Assembly Retirement Allowances Act;

Bill Pr11, An Act respecting the Association of Municipal Clerks and Treasurers of Ontario;

Bill Pr29, An Act to continue the Corporation of the Township of Wicksteed under the name of the Corporation of the Township of Hornepayne;

Bill Pr33, An Act respecting the Township of Osgoode Care Centre;

Bill Pr40, An Act to incorporate the Ontario Municipal Recreation Directors Foundation; and

Bill Pr44, An Act respecting the City of Kitchener.

Clerk of the House: In Her Majesty's name, the Honourable the Lieutenant Governor doth assent to these bills.

The Honourable the Lieutenant Governor was pleased to retire from the chamber.

Mr. Warner: On a point of order and on a point of privilege, Mr. Speaker: The point of order arises out of standing order 2(a) and my point of privilege is under standing order 18(a).

The government House leader announced earlier that this assembly would reassemble on Monday, January 6. I submit that this is an inappropriate date to choose, as it is Christmas Day for those of the eastern Christian Orthodox faith. I would ask that the House leader withdraw the order he placed and place a new order that we sit instead beginning on Tuesday, January 7, out of respect for the Christmas Day that is enjoyed by so many thousands of our citizens who are of the eastern Christian Orthodox faith.

Mr. Speaker: This could be a point of order. However, I must inform the members that a motion had been put to this House, the members at that time had an opportunity to speak to that motion and the motion was carried. The matter has been dealt with and, therefore, I feel I should say the point of order is out of order.

Mr. Shymko: Since I had raised this question to the House leader originally–

Mr. Speaker: On another point of order?

Mr. Shymko: On a different point of order. I want to thank the House leader for raising this with the Premier (Mr. Peterson), but I am somewhat disillusioned that the government, which is sensitive to minority issues, would reject the suggestion.

Mr. Speaker: Order. The matter has been dealt with.

THIRD READINGS

The following bills were given third reading on motion:

Bill 48, An Act to amend the Land Transfer Tax Act;

Bill 49, An Act to amend the Tobacco Tax Act;

Bill 50, An Act to amend the Fuel Tax Act;

Bill 51, An Act to amend the Gasoline Tax Act.

Hon. Mr. Nixon: Just before we put the motion of adjournment, on behalf of my colleagues in the government, I want to extend to you, Mr. Speaker, to the staff of the Legislative Assembly and to all honourable members our best wishes for a merry Christmas and a very happy and productive new year.

Mr. Speaker: I also wish everyone a healthy, happy and safe holiday.

The House adjourned at 12:53 p.m.

APPENDIX

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

HIRING OF STAFF

46 to 71. Mr. Baetz et al: Would the ministers please table a list of all individuals who have been hired in their ministries since July 1, 1985, in clerical, communications, chief of staff, executive assistant or special assistant roles? Please list all names, present salary and previous employment. Please inform us whether each position was advertised in Topical, another government publication or any other publication and if not, why not. [Tabled October 22, 1985]

98. Mr. Runciman: Would the Minister of Consumer and Commercial Relations please table a list of all individuals who have been hired in his ministry since July 1, 1985, in clerical, communications, chief of staff, executive assistant or special assistant roles? Please list all names and salaries as well as any relation to any member of the executive council. [Tabled November 25, 1985]

See sessional paper 303.

TRANSFER OF STAFF

129. Miss Stephenson: Would the Chairman of Management Board of Cabinet indicate why the government is moving the entire accounting and administration staff of nonpartisan civil servants from the Office of the Premier to the ministries of Treasury and Government Services? Which individuals are being moved? Is their complement being added to the approved complement of the ministries of Treasury and Government Services? What will happen with those complement spaces in the Office of the Premier and Cabinet Office? Who will be responsible for financial control and probity in the Office of the Premier? [Tabled December 9, 1985]

Hon. Ms. Caplan: With the elimination of the policy fields, it was no longer efficient to maintain a separate administrative service for the Cabinet Office and the Office of the Premier.

The administrative services division of the Ministry of Treasury and Economics was selected because it is organized to provide common administrative support to a number of ministries and agencies, including Management Board, the Civil Service Commission, the Ministry of Energy and the Ministry of Governmental Affairs and their agencies.

Transfer to a larger organization offers the employees involved greater career opportunities.

Individuals who have moved are Joyce Hill, Violet Knighton, Camille Serrao, Amelda McGlade, Sharon Pinto, Catherine Darling, Linda Golez, Peter O'Dell, Kalpathy Rammohan, Douglas Harrington and Kenneth Sisler.

Complement is being added to the administration division of Treasury and Economics only. No accounting or administration staff or functions have been transferred to the Ministry of Government Services.

The complement in the Cabinet Office will be deleted accordingly. The Office of the Premier has no complement positions.

Financial control and probity will be exercised by senior officials in the Office of the Premier, the Cabinet Office and Treasury and Economics.

ONTARIO NORTHLAND TRANSPORTATION COMMISSION

133. Mr. Harris: Would the Minister of Northern Affairs and Mines indicate the schedule and funds estimated to repair the rail beds of the Ontario Northland Transportation Commission to assist in luring passengers back to rail service? [Tabled December 9, 1985]

Hon. Mr. Fontaine: Ontario Northland carries out regular maintenance on a day-to-day basis on its track bed. In addition, capital funds are expended, and over the past four years $20 million has been invested in maintaining and upgrading the facilities. Another $7 million will be spent in 1986 and about $5.5 million in each of 1987 and 1988. For the amount of traffic carried, the rail bed is considered to be in as good a condition as any elsewhere in Canada.

HUNTING AND FISHING LICENCES

134. Mr. Harris: Would the Minister of Natural Resources indicate whether there has been any reassignment of hunting and fishing licence depots since July 1, 1985, and, if so, where and for what reason? [Tabled December 9, 1985]

Hon. Mr. Kerrio: No, there has not been any reassignment of hunting and fishing licence issuing outlets (depots) since July 1, 1985, namely, no cancellation of an individual's

licence issuing authority with another person appointed to issue licences in his/her stead.

ELLIS-DON CONSTRUCTION CO.

139. Mr. Villeneuve: Would the Minister of Government Services list all projects funded directly by the province, or indirectly, through hospitals, universities or municipal governments, now being performed by the Ellis-Don Construction Co. of London, Ont.? [Tabled December 9, 1985]

Hon. Ms. Caplan: My response to this question can pertain only to projects undertaken by this ministry. The Ministry of Government Services does not have the authority to elicit information on projects which take place without its involvement.

There is one project currently being performed for the Ministry of Government Services by the Ellis-Don Construction Co. of London, Ont. It is the new Ottawa courthouse. Competitive, open tenders for the project were called in March 1984. Of the six bids received, Ellis-Don's was the lowest, and the contract was therefore awarded to that company on May 2, 1984.

Contract award amount, $32,497,000; post-contract contigencies, $3,480,124; total contract amount to date, $35,977,124.

INTERIM ANSWERS

107. Mr. Baetz: Hon. Mr. Peterson–The information to this question is still in the process of being compiled. A final response will be available on or about January 29, 1986.

125. Miss Stephenson: Hon. Ms. Caplan–The information requested will have to be gathered from all ministries. Accordingly, the information cannot be provided within the normal 14-day period. A response should be available by about January 24, 1986.

135. Mr. Pierce: Hon. Mr. Kerrio–The position of the Minister of Natural Resources and the positions of the government on spraying for spruce and pine budworm will be tabled in the House in the new year after consultation with my colleagues and the public.

141. Mr. Bernier: Hon. Ms. Caplan–There will be additional time required to prepare the response to the above question. A final answer will be tabled on or about February 28, 1986.

RESPONSES TO PETITIONS

ELECTORAL DISTRICTS REDISTRIBUTION

Sessional paper 241, re Hastings county council request that the Legislature leave the townships of Thurlow and Tyendinaga, the town of Deseronto and the Tyendinaga Indian reserve in the Hastings-Peterborough constituency.

Hon. Mr. Grandmaître: I have forwarded a copy of the petition to the Electoral Boundaries Commission for consideration when preparing its final report.

SHORELINE PROTECTION

Sessional paper 268, re Goulais River and the Shore Protection Assistance Act.

Hon. Mr. Grandmaître: Under the Shoreline Property Assistance Act, passed by the previous government in 1972, loans may be made available for the repair or protection of privately owned shoreline properties. As the legislation is currently written, these loans are available only through municipalities and are not available in areas without municipal government.

The program was terminated in 1982 and reintroduced this year as a short-term emergency measure to assist property owners who suffered damages as a result of the extensive flooding this past spring and will terminate on March 31, 1986.

We are now undertaking a thorough review of the possible long-term options for shoreline protection and management. Should extension of the shoreline property assistance program be a feasible option, we will certainly review its provisions and make any changes which appear necessary to meet the needs of the people of Ontario.

CONTENTS

Friday, December 20, 1985

Statements by the ministry

Elston, Hon. M. J., Minister of Health:
Electroshock therapy 2696

Fontaine, Hon. R., Minister of Northern Development and Mines:
Single-industry communities 2695

Keyes, Hon. K. A., Solicitor General and Minister of Correctional Services:
Police pursuits 2695

Oral questions

Conway, Hon. S. G., Minister of Education:
Insurance rates, Mr. Davis, Mr. Jackson, Mr. Swart 2706

Elston, Hon. M. J., Minister of Health:
Extra billing, Mr. Timbrell 2703
Alkyl nitrate, Mr. Gillies 2705

Fulton, Hon. E., Minister of Transportation and Communications:
Urban Transportation Development Corp., Mr. Grossman, Mr. Rae 2697
Transit fares, Mr. Reville 2707

Kwinter, Hon. M., Minister of Consumer and Commercial Relations:
Trust companies, Mr. Swart 2704
Low-alcohol products, Mr. Turner, Mr. Swart 2706

Peterson, Hon. D. R., Premier and President of the Council and Minister of Intergovernmental Affairs:
Domed stadium, Mr. Grossman 2698
Urban Transportation Development Corp., Mr. Rae, Mr. Grossman, Mr. Foulds .. 2700

Sweeney, Hon. J., Minister of Community and Social Services:
Emergency housing, Mr. Rae, Mr. Eves 2702
Young Offenders Act, Mr. R. F. Johnston, Mr. Eves 2705

Petitions

Roman Catholic secondary schools, Mr. Jackson, Mr. Eves, Ms. E. J. Smith, Mr. McCague 2708

Report

Standing committee on resources development, Mr. Laughren, tabled 2708

Motion

Adjournment of House, Mr. Nixon, agreed to 2708

First reading

Amusement Devices Act, Bill 97, Mr. Kwinter 2708

Second readings

Association of Municipal Clerks and Treasurers of Ontario Act, Bill Pr11, Mr. Newman, agreed to 2709
Township of Hornepayne Act, Bill Pr29, Mr. Martel, agreed to 2709
Township of Osgoode Care Centre Act, Bill Pr33, Mr. J. M. Johnson, agreed to..... 2709
Ontario Municipal Recreation Directors Foundation Act, Bill Pr40, Mr. Brandt, agreed to 2709
City of Kitchener Act, Bill Pr44, Mr. Newman, agreed to 2709
Workers' Compensation Amendment Act, Bill 81, Mr. Wrye, Mr. Gillies, Mr. Rae, Mr. Hennessy, Mr. Mackenzie, Mr. Shymko, Mr. Laughren, Mr. Barlow, Mr. Lupusella, Mr. Gordon, Mr. Grande, Mr. Foulds, Mr. McClellan, agreed to 2709

Third readings

Association of Municipal Clerks and Treasurers of Ontario Act, Bill Pr11, Mr. Newman, agreed to 2709
Township of Hornepayne Act, Bill Pr29, Mr. Martel, agreed to 2709
Township of Osgoode Care Centre Act, Bill Pr33, Mr. J. M. Johnson, agreed to..... 2709
Ontario Municipal Recreation Directors Foundation Act, Bill Pr40, Mr. Brandt, agreed to 2709
City of Kitchener Act, Bill Pr44, Mr. Newman, agreed to 2709
Capital Aid Corporations Repeal Act, Bill 42, Mr. Nixon, agreed to 2709
Residential Tenancies Amendment Act, Bill 77, Mr. Curling, agreed to 2709
Legislative Assembly Amendment Act, Bill 88, Mr. Nixon, agreed to..... 2709
Executive Council Amendment Act, Bill 89, Mr. Nixon, agreed to 2709
Legislative Assembly Retirement Allowances Amendment Act, Bill 90, Mr. Nixon, agreed to 2709
Workers' Compensation Amendment Act, Bill 81, Mr. Wrye, agreed to 2719
Land Transfer Tax Amendment Act, Bill 48, Mr. Nixon, agreed to 2720
Tobacco Tax Amendment Act, Bill 49, Mr. Nixon, agreed to..... 2720
Fuel Tax Amendment Act, Bill 50, Mr. Nixon, agreed to 2720
Gasoline Tax Amendment Act, Bill 51, Mr. Nixon, agreed to..... 2720

Royal assent

The Honourable the Lieutenant Governor..... 2720

Other business

Loans to municipalities, Mr. Grandmaître 2707
Answers to questions in Orders and Notices and response to petition, Mr. Nixon, tabled 2709
Adjournment..... 2720

Appendix

Answers to questions in Orders and Notices

Caplan, Hon. E., Chairman of Management Board of Cabinet and Minister of Government Services:
Hiring of staff, questions 46 to 71, Mr. Baetz et al. 2721
Transfer of staff, question 129, Miss Stephenson 2721
Ellis-Don Construction Co., question 139, Mr. Villeneuve 2722
Fontaine, Hon. R., Minister of Northern Development and Mines:
Ontario Northland Transportation Commission, question 133, Mr. Harris 2721
Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy:
Hunting and fishing licences, question 134, Mr. Harris 2721
Kwinter, Hon. M., Minister of Consumer and Commercial Relations:
Hiring of staff, question 98, Mr. Runciman 2721
Interim answers, questions 107, 125, 135 and 141 2722

Responses to petitions

Grandmaître, Hon. B. C., Minister of Municipal Affairs:
Electoral districts redistribution, sessional paper 241 2722
Shoreline protection, sessional paper 268 2722

SPEAKERS IN THIS ISSUE

Alexander, Hon. L. M., Lieutenant Governor
Barlow, W. W. (Cambridge PC)
Bradley, Hon. J. J., Minister of the Environment (St. Catharines L)
Brandt, A. S. (Sarnia PC)
Conway, Hon. S. G., Minister of Education (Renfrew North L)
Davis, W. C. (Scarborough Centre PC)
Eakins, Hon. J. F., Minister of Tourism and Recreation (Victoria-Haliburton L)
Edighoffer, Hon. H. A., Speaker (Perth L)
Elston, Hon. M. J., Minister of Health (Huron-Bruce L)
Eves, E. L. (Parry Sound PC)
Fontaine, Hon. R., Minister of Northern Development and Mines (Cochrane North L)
Foulds, J. F. (Port Arthur NDP)
Fulton, Hon. E., Minister of Transportation and Communications (Scarborough East L)
Gillies, P. A. (Brantford PC)
Gordon, J. K. (Sudbury PC)
Grande, T. (Oakwood NDP)
Grandmaître, Hon. B. C., Minister of Municipal Affairs (Ottawa East L)
Grossman, L. S. (St. Andrew-St. Patrick PC)
Hennessy, M. (Fort William PC)
Jackson, C. (Burlington South PC)
Johnston, R. F. (Scarborough West NDP)
Keyes, Hon. K. A., Solicitor General and Minister of Correctional Services (Kingston and the Islands L)
Kwinter, Hon. M., Minister of Consumer and Commercial Relations (Wilson Heights L)
Laughren, F. (Nickel Belt NDP)
Leluk, N. G. (York West PC)
Lupusella, A. (Dovercourt NDP)
Mackenzie, R. W. (Hamilton East NDP)
McCague, G. R. (Dufferin-Simcoe PC)
McClellan, R. A. (Bellwoods NDP)
Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue (Brant-Oxford-Norfolk L)
Peterson, Hon. D. R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)
Rae, R. K. (York South NDP)
Reville, D. (Riverdale NDP)
Shymko, Y. R. (High Park-Swansea PC)
Smith, E. J. (London South L)
Stevenson, K. R. (Durham-York PC)
Swart, M. L. (Welland-Thorold NDP)
Sweeney, Hon. J., Minister of Community and Social Services (Kitchener-Wilmot L)
Timbrell, D. R. (Don Mills PC)
Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)
Wrye, W. M. (Windsor-Sandwich L)

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Legislative Assembly of Ontario

First Session, 33rd Parliament
Monday, January 6, 1986
Afternoon Sitting

Speaker: Honourable H. A. Edighoffer
Clerk of the House: R. G. Lewis, QC

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CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, January 6, 1986

The House met at 2 p.m.

Prayers.

LEGISLATIVE PAGES

Mr. Speaker: I would ask all members to join me in welcoming the third group of legislative pages to serve in the First Session of the 33rd Parliament. They are as follows:

Paula Arrindell, Downsview; Elise Brady, Burlington South; Dawn Brodack, Port Arthur; Michael Buckborough, Niagara Falls; Mark Crow, Wellington South; Kip Daynard, Perth; Susan Docherty, Leeds; Ali Ghiassi, Lakeshore; Amy James, Simcoe Centre; Justin Kropp, Hamilton Centre; Anjeanette LeMay, Oakville; Tifanie Levy, Kingston and the Islands;

Kimberly MacDonald, Cochrane South; Christine Makuch, Lambton; Jaime Marasigan, Scarborough North; Annamie Paul, Brampton; Mark Popov, Essex North; Francis Savage, Humber; Andrew Sneyd, Dufferin-Simcoe; Andrea Stach, Fort William; Patrick St. Onge, Sudbury East, and David Willer, London South.

Please join me in welcoming these pages.

STATEMENTS BY THE MINISTRY

JOB EVALUATION PLAN

Hon. Ms. Caplan: I wish to inform the House that the Management Board of Cabinet and the Ontario Public Service Employees Union have signed a memorandum of understanding whereby the union has agreed to recommend to its members a new job evaluation plan for office and clerical jobs in the public service.

The new plan, when implemented, will be of benefit to many employees in the office services and clerical services categories. Representing more than 14,000 employees, these categories are primarily made up of secretaries, clerks, typists and receptionists, jobs that traditionally have been filled by women.

The plan reflects the changing work environment within government. It also reflects a concern on the part of both this government and the union to simplify and strengthen job evaluation systems in the Ontario public service. This simplification of the job evaluation system should in turn make it easier for this government to achieve one of our primary objectives, namely, implementation of pay equity in the public service.

I am looking forward to ratification of the proposed plan, a process which will take approximately six weeks to complete. Until the ratification process has been completed by the members of OPSEU, I am not at liberty to report details of the plan. However, it is my sincere hope that the plan will be ratified by the union's membership, following which I will have an opportunity to make a detailed report to this House.

MANDATORY RETIREMENT

Hon. Mr. Wrye: The advent of the equality rights provisions in the Charter of Rights and Freedoms has cast a new light on many of the laws and practices in our society. The debate that has been precipitated by the charter is truly encouraging. This continuing review of Canada's legal framework will lead to significant reform as well as the affirmation of important social values.

One established employment practice which is under scrutiny as a result of the charter is mandatory retirement. The Ontario Human Rights Code affords protection against discrimination in employment until 65 years of age, after which individuals may be required to retire. The opponents of mandatory retirement have submitted that the limit on age protection in the code deprives individuals of their right to equality under section 15 of the charter.

Counter-arguments have been made justifying mandatory retirement as a socially desirable practice, permitting individuals to leave the work force with dignity and facilitating effective personnel planning and employment opportunity for younger workers. In early jurisprudence, the Supreme Court of Ontario has held that mandatory retirement is a reasonable limit to the rights and freedoms guaranteed by the charter.

But the legal analysis is only one aspect of the issue. Clearly, any decision to alter existing retirement practices would have profound social, economic and labour-market consequences. Accordingly, the government has decided to establish a task force to examine existing laws and

practices that permit mandatory retirement at the age of 65 and to assess the implications of any change in the existing laws which would restrict or prohibit mandatory-retirement practices.

Specifically, the task force will be asked to consider the conflicting interests of older and younger workers; the appropriateness of automatic nondiscretionary practices flowing from pension plans and/or collective agreements; the ramifications of the abolition of mandatory retirement for personnel and human resources planning practices, and the funding and design consequences for pension plans should mandatory retirement be prohibited. A public dialogue will assist the government in addressing this important issue.

I am very pleased to announce that Dr. Ronald Ianni has agreed to serve as the chairman of the task force. Dr. Ianni, a distinguished academic, is the president of the University of Windsor and formerly the dean of its faculty of law. He is an individual of strong social commitment, having served on a number of community organizations. He is a member of the advisory board of the Hospice of Windsor; he was co-chairman of the mayor's committee on services for the unemployed, and he was appointed chairman of the Windsor community adjustment committee by the federal government to implement its industrial labour adjustment program for Windsor and Essex county in 1981 to 1983.

I know Dr. Ianni will bring great skill and enthusiasm to his duties as chairman of the task force. I expect to be announcing other members of the task force in the very near future.

SUNDAY TRADING

Hon. Mr. Keyes: A number of questions have been raised about the government's intention with respect to the Retail Business Holidays Act. Questions have been raised as to the status of the case now before the Supreme Court of Canada, the prospective policy pending that appeal and the government's intention with respect to any review of the present legislation.

The legislation involves a number of ministries, including those of the Solicitor General, the Attorney General, Labour, and Municipal Affairs.

The Ontario Court of Appeal upheld a number of convictions under the present act and generally upheld the constitutionality of the Retail Business Holidays Act. The appeals by the convicted merchants to the Supreme Court of Canada will be heard as soon as possible and an application will be made to have the matter heard early in March.

Pending the decision of the Supreme Court of Canada, the police have been advised to continue to enforce the law and lay charges. Crown attorneys have been advised to take all appropriate legal steps in the prosecution of these matters.

It is unlikely that a decision by the Supreme Court of Canada will be handed down before early summer.

2:10 p.m.

The present law involves questions of widespread social and economic issues that affect people throughout the entire province. There is a need for a thorough, public review of these issues. However, it would be premature to begin this review before the Supreme Court of Canada judgement that will determine the legal validity and constitutional framework of any provincial legislation in this area.

Therefore, after receipt of the Supreme Court of Canada judgement, I propose to refer the entire issue of holiday closing to a committee of the Legislative Assembly to undertake a review of the issue, providing the opportunity for full, public discussion and the expression of the entire range of public concern directly to the members of this assembly.

In the meantime, I invite the municipalities to consider their roles in this issue and the various options available to them. They are free to consider the options open to them under the current legislation.

VISITOR

Hon. Mr. Nixon: Mr. Speaker, may I draw your attention that the Honourable Robert Kaplan, a former Solicitor General for Canada, is in the gallery? I know the members would like to join in welcoming him.

PRESS REPORT

Mr. D. S. Cooke: On a point of privilege, Mr. Speaker: I would like to correct a statement that was attributed to me last week by the press over the wire. A report came out saying Dave Cooke, MPP for Windsor-Riverside, opposed sections of legislation that had been passed dealing with drunk drivers, particularly the one-year licence suspension.

I would like to point out that the letter criticizing government policy was sent out by the government member for Kitchener (Mr. D. R. Cooke), not me.

ORAL QUESTIONS

INSURANCE RATES

Mr. Grossman: I have a question for the Minister of Consumer and Commercial Relations. In the absence of affordable liability insurance coverage, many municipalities, including many smaller communities, have indicated they will now be forced to self-insure. One recent court award against the city of Brampton was in excess of $6 million. Can the minister explain to the House how municipalities the size of Listowel, Kingsville or Goderich, where the entire municipal budgets do not exceed $6 million, will be able to pay such a settlement if they find themselves in the same circumstances as Brampton?

Hon. Mr. Kwinter: The Leader of the Opposition has brought forward a problem we have been addressing for some time. He should be aware that various groups are meeting to try to resolve it. There is no doubt a $6-million award would cause a great problem for any municipality.

We are hoping to establish a pool whereby the larger municipalities can pool money to help the smaller municipalities. Very shortly, I will be announcing a task force that will refer recommendations back to an all-party committee on how to solve this problem.

At present, the self-insurance process seems to be working not only for municipalities but for school boards. It is a solution with which I am not happy, but we are dealing with the problem in a way that, in the short term, is working. It is not satisfactory but it is working.

Mr. Grossman: We are six days into the new year. It remains to be seen whether the alleged system the minister has in place is working.

I think the question is not, are we going to wait until there is an award, until a task force reports—which, like testing Ontario wine, could take six months or a year? What are we going to do for these municipalities, some of which want to go out today and get additional coverage? Specifically, is the government prepared to say to those municipalities that if they can get insurance, the province will cover the cost of the increased premiums, or is the minister prepared to say to them that it will immediately establish a government liability pool?

Hon. Mr. Kwinter: I am not prepared to make a commitment to either of them. We will do what we are continuing to do. We will monitor the situation and, as a problem develops, we will address it.

Mr. Grossman: Is the minister suggesting that he is saying to the municipalities, whose entire year's budget could be eliminated by one award, that they should go on a wish and a prayer, and if there is a settlement, the province will perhaps come in and help to some degree afterwards? Is that the circumstance he is prepared to tell municipalities and school boards to live with, or is he going to take some action today to alleviate their concerns?

Hon. Mr. Kwinter: We have taken action. We have met with the municipalities and the school boards. At present, there is not a school board or municipality that is not covered. When we have that problem, we will address it.

URBAN TRANSPORTATION DEVELOPMENT CORP.

Mr. Grossman: I have a question for the Minister of Transportation and Communications. I wonder whether he could update the House on the offer made by the Can-Car employees' group in Thunder Bay to purchase the Urban Transportation Development Corp.

Hon. Mr. Fulton: I am aware of a letter that I think was received by the ministry just this morning. I understand there was some involvement with the member for Port Arthur (Mr. Foulds). There is no offer.

Mr. Hennessy: What about me?

Hon. Mr. Fulton: I have not yet received a communication from the member for Thunder Bay, but I am sure it is in transit.

Mr. Hennessy: Fort William, not Thunder Bay.

Hon. Mr. Fulton: Sorry about that.

There is only a letter indicating some degree of interest and nothing further.

Mr. Grossman: On December 19, a communication was made between the lawyers acting for the Can-Car employees' group and Mark Larratt-Smith, assistant deputy minister, office of the special adviser to the Premier (Mr. Peterson). That letter was sent on December 19, and I presume it was received shortly thereafter by the now famous John Kruger.

I wonder whether the minister could give an assurance to this House that no offer to sell will be approved or signed by the government or anyone on the government's behalf until the Can-Car employees have been given a full and complete opportunity to make a complete offer to purchase.

Hon. Mr. Fulton: The Leader of the Opposition is correct. The letter was dated December

19, but as I said in my previous answer, it was received in Toronto only on Friday. The answer is yes, we will certainly entertain any complete offer from the organization in that letter.

Mr. Foulds: Will the minister give his assurance that he will inform the group seeking to make this offer that it has full access, the same access Bombardier and other competitors have had? Would he mind making public, because it has not been made public, what it is he is offering for sale?

Hon. Mr. Fulton: I give the member the assurance that any interested purchaser, whether it be the employees of Can-Car or any other interested purchaser, will have equal access and opportunity to acquire the full assets of the corporation in question and that the member for Port Arthur will be the first to hear about it.

2:20 p.m.

Mr. Hennessy: I would like to remind the minister that I am a member of the Legislature and I would appreciate some courtesy in that respect. It is all right to have an accord, but he should not show it so publicly.

I say to the minister and the Premier that the employees and management are a group of people who are concerned that if the plant is sold to Bombardier, they will lose their jobs. I have to agree with them to some extent because I do not think Quebec is going to put up money to provide jobs for Ontario.

Mr. Speaker: Question.

Mr. Hennessy: I would like to ask the minister to keep that in mind, to protect the jobs in Thunder Bay and Fort William, and in Kingston and these other areas concerned, because they do not know where they are going at present. Will he keep that in mind?

Hon. Mr. Fulton: If I follow the question, I assure the honourable member he will get all the respect he so richly deserves from this minister, and we will make every effort, as we have said repeatedly, to ensure jobs are maintained in Thunder Bay.

INSURANCE RATES

Mr. Reville: My question is to the Minister of Consumer and Commercial Relations and concerns the same matter first raised by the Leader of the Opposition (Mr. Grossman).

It is of great concern to me that in the midst of an insurance crisis affecting our municipalities, all the minister can think to do is to hope and to meet and to monitor. Does he not realize that as of today, January 6, the cities of Toronto, Etobicoke and York, the borough of East York and the municipality of Metropolitan Toronto have no liability insurance and that they are self-insured? Is he not concerned about those municipalities' budgets? Is he not concerned about the property taxpayers–

Mr. Speaker: Order. The minister.

Mr. Reville: –and is he not concerned about individuals who may be exposed to risk in the city today?

Hon. Mr. Kwinter: I am very concerned about it. The honourable member should realize that all those municipalities had an option to have insurance but they were not happy with the rates. They made the decision that they would rather self-insure than pay the rates and look after it that way. If the member had been noticing some of the premiums, he would have seen some of the municipalities were being asked to pay $400,000 for $1 million worth of coverage, and they decided they would rather self-insure than pay those premiums. They had the option, and they have made the conscious decision to self-insure.

Mr. Reville: The minister will know it is of little moment to cite back the details of the problem as a solution to the problem. Will the minister not immediately pick up the phone and summon the Association of Municipalities of Ontario or leading municipalities and work out with them a municipal public liability insurance program, to which they and this government will contribute?

Hon. Mr. Kwinter: The Minister of Municipal Affairs (Mr. Grandmaître) tells me he has been doing this, and they are meeting next week. We have been having ongoing discussions with them. This is not something that happened today or yesterday. We have been aware of this for some time, and we are working on it.

Mr. Grossman: Perhaps the minister can tell us whether he is now taking the position, pursuant to his last answer, that all municipalities have coverage, which was his answer to me a few minutes ago, or is he taking the position that some municipalities do not have coverage and that it is their problem because they would not pay the premiums? Which is his position?

Hon. Mr. Kwinter: My position is that all municipalities and all school boards are functioning. If they do not have coverage–they either have insurance or they have decided to self-insure–

Mr. Davis: School boards cannot sell insurance.

Hon. Mr. Kwinter: No. They either have insurance or they have decided to self-insure. It is self-insurance, but it is insurance.

Mr. Reville: Surely the minister will know that one catastrophic loss will wipe out the entire fund the Metro insurance group has set aside for self-insurance. Will he tell us what day this program will be in place to protect municipalities, property taxpayers and individuals who are exposed to risk? I want to know when the program is going to be in place.

Hon. Mr. Kwinter: I cannot tell the member the exact date. I can tell him that AMO is meeting with the Minister of Municipal Affairs next week, and we will come to a resolution.

Mr. Foulds: I have a second question for the Minister of Consumer and Commercial Relations. Can the minister tell us what concrete and practical steps he and his government will take immediately to protect Ontario motorists from the huge increases in auto insurance premiums they face this year?

Hon. Mr. Kwinter: The automobile premium rates are a factor of the marketplace, and at this point we have no intention of interfering with that marketplace.

Mr. Foulds: Can the minister tell us why the marketplace in the province is such that the Ontario motorist faces a whopping increase of 15 to 25 per cent–one of his own officials qualifies that as "soaring"–while other jurisdictions in this country, such as Manitoba, are able to increase services to the consumer and hold the line on premium increases?

Hon. Mr. Kwinter: The premiums are set by insurance experience. Anyone would realize that the chances of having an automobile accident in Metropolitan Toronto or in any other builtup area in Ontario are far greater than those of having an automobile accident in some northern community in Manitoba. As a result, Ontario has a higher rate only because it has a higher risk factor. That again is a factor of the marketplace.

Mr. Runciman: The minister says this is simply a factor of the marketplace and he is prepared to sit back and let this kind of price increase be inflicted upon the consumers of the province. Is he not prepared to initiate an investigation or to take some action, for a change?

Mr. Speaker: Was the minister able to hear that?

Hon. Mr. Kwinter: No.

Interjections.

Mr. Speaker: Order. I asked whether the minister heard the question; he said he did not.

Interjection.

Mr. Speaker: The member does not wish to place it again?

Mr. Foulds: If it is a factor of the marketplace and a factor of high density, can the minister tell me why the rates in northern Ontario and in Kitchener are higher than those in Montreal, Calgary and Edmonton?

Hon. Mr. Kwinter: I just told the member the reason: Montreal, Calgary and Edmonton are not in Ontario.

Mr. Grossman: I will ask another question of the Minister of Consumer and Commercial Relations. As the minister has indicated, there was a lot of advance warning of this problem; on November 24, I raised the case of the Ontario Motor Coach Association, whose members were predicting bankruptcy because of the skyrocketing insurance costs. I pointed out at the time that some of those increases would be as high as 1,000 per cent.

I asked the Premier (Mr. Peterson) whether he would be kind enough to meet the Ontario Motor Coach Association, which was very concerned about this upcoming problem. The association flagged it and the minister was aware of it. Can the minister explain why, to date, the Premier has not met with these people and why no action has been taken to help the motor coach association?

Hon. Mr. Kwinter: I respectfully submit that the honourable member should address the question to the Premier.

Mr. Speaker: Order. Does the minister wish to redirect the question? No?

Hon. Mr. Kwinter: The member did not ask me a question, and then I redirected it. The member asked me why the Premier had not responded. I do not understand why I should have to answer for the Premier.

2:30 p.m.

Mr. Foulds: The Premier has to answer for the minister. Fair is fair.

Mr. Speaker: Order. Did I understand the minister to say he wanted it redirected?

Hon. Mr. Kwinter: No.

Mr. Speaker: Okay.

Mr. Rowe: Give him a multiple choice. Maybe he can answer that.

Mr. Grossman: He cannot have more than three choices.

Mr. Speaker: Order.

Mr. Grossman: The minister is doing very well in his valiant attempt to help the Premier out of this problem. When he does get a chance to talk with the Premier, will the minister ask him why the president of the Ontario Motor Coach Association wrote on September 18, on November 8–

Hon. Mr. Bradley: Monday is laugh day.

Mr. Grossman: The minister should listen to this one. On November 8, the president of that association wrote to the Premier, with copies to the Minister of Transportation and Communications (Mr. Fulton), the Minister of Tourism and Recreation (Mr. Eakins) and the Minister of Consumer and Commercial Relations. On December 2, he wrote again begging for some action.

Mr. Speaker: Question.

Mr. Grossman: He has heard nothing from the Premier, he did not get a meeting with the Premier as he requested and he has not had the phone call the Premier offered to make.

Mr. Speaker: Question.

Mr. Grossman: When he gets a chance, will the minister ask the Premier when he will fulfil the undertaking he gave in this House to meet with these people, who have been seeking a meeting on this issue for two months?

Hon. Mr. Kwinter: I will be delighted to do that.

Mr. Foulds: Can the minister tell us whether he and his ministry are willing to take any steps to protect the consumers of this province, whether they be consumers of auto insurance as individuals, the Ontario Motor Coach Association or the municipalities that my colleague the member for Riverdale (Mr. Reville) referred to?

Mr. Wiseman: The answer is no.

Hon. Mr. Kwinter: The answer is yes, we will. We are doing that now. We are looking at the total problem. I hope to be making some recommendations to my cabinet colleagues, and that will be happening as soon as we can get it resolved. We are working on it now.

EMISSION DISCHARGES

Mr. Laughren: My question is to the Premier concerning the new emission standards his Minister of the Environment (Mr. Bradley) is imposing on Inco.

Is the Premier aware that if Inco is required to build a new smelter as a result of those new standards, that could create thousands of jobs in the construction industry when it is doing so and reduce dramatically the sulphur emissions? The excess acids could then be used in conjunction with phosphate deposits to build a fertilizer plant in the Sudbury community.

Will the Premier assure us that he will personally intervene to pursue this matter because of the enormous boost it could give to the Sudbury economy?

Hon. Mr. Peterson: I am not sure of the question. Is the honourable member asking me to put those arguments that he put so eloquently and well in this House to the chairman of Inco? Is that what he is asking me?

If that is what he is asking me, I can tell the member that I have already put those arguments to Inco. As he knows, the chairman of Inco was not particularly pleased with the new emission standards set by my colleague. We did put the proposition to Inco that we feel it is very important in the interest of the whole province and we are prepared to work with the company. I hope, over the time it has to work on this matter, it will find viable commercial and economic ways to do that. We are very hopeful that everyone will win with this new control order put on by the Minister of the Environment.

Mr. Laughren: With all due respect, I do not believe the Premier understood my question. Perhaps he did not hear it.

What I am asking is, as a result of the new standards, since there will be excess acid taken out of the ore before it goes up the stack and that excess acid must be used in some way, will the Premier ensure that excess acid will be used in conjunction with phosphate deposits up in Cargill township, north of Timmins, to create a fertilizer enterprise in the Sudbury basin?

We have an enormous opportunity here, a real once-in-a-lifetime opportunity to create jobs for the construction industry and ongoing jobs to replace the jobs that have been lost in the mining industry over the past few years. Will he personally intervene in that regard?

Hon. Mr. Peterson: As I said, I have already discussed that. One of the arguments put forward at the moment is that there is getting close to an excess capacity of sulphuric acid now as a byproduct of the process. Everyone is looking for other commercial uses of that. One of them obviously is the fertilizer business, and we are prepared to work with whoever is interested in taking up that excess sulphuric acid in conjunction with reducing possible causes.

The answer is that we are prepared to work with Inco or any other enterprise that is interested

in that. It is certainly one worth looking at, but it is ultimately going to be a commercial decision, as I know the member for Don Mills (Mr. Timbrell) knows. It is going to be dictated by the marketplace and not by the whim of some government. Let me say again, we are prepared to work with anyone who is interested in exploiting that commercial possibility.

Mr. Timbrell: Will the Premier undertake to pull from the files the existing proposal, which was reviewed by government officials about eight months ago, submitted by Hatch and Associates–

Mr. Foulds: The Tories had that destroyed.

Mr. Timbrell: No, it was not.

Given the latest control orders imposed on Inco, will he see whether that proposal, which was deemed not to be feasible in the spring of 1985, might now be feasible and could become a viable new industry for the Sudbury basin?

Hon. Mr. Peterson: I am most interested in pursuing any good ideas, and if by chance we have found one the previous government has not burned, we will take advantage of it–or any files that have not been destroyed; we will search for those files. Anything we have that is of value we will share with Inco, with the honourable member or with anyone else. If it is a viable proposition, I thank the member for bringing it to my attention. If by chance the file has been destroyed, perhaps the member will give me his copy and I will pass it on to the minister.

FUTURES PROGRAM

Mr. Partington: My question is to the Minister of Skills Development, who has stated the government would spend $133 million to provide support to 56,000 hard-to-employ young people under the Futures program. As of December 24 there were 7,000 applications and only 1,200 placements; by now there may be 1,500 placements.

The minister's bleak Futures program leaves 54,500 young people dangling. Will he admit his program is off to an inauspicious beginning, is a dismal failure and needs a complete rethinking?

Hon. Mr. Sorbara: I will not admit anything of the sort. What I will say about the Futures program is that, in our estimation, it has been a marvellous success. What we attempted to do in the Futures program, and what we have succeeded in doing, was to take all the good parts of the previous government's programs–because there were some good elements there–consolidate them and make them even better, to stress in the Futures program the element of on-the-job training and to bring the program to virtually every community in Ontario.

As for the figures the honourable member is quoting–I do not know where he got them–my understanding is that applications to the Futures program and the continuation of the employment programs under the predecessors of Futures have been far greater than our original expectations, and we anticipate applications for next year will be even greater than we originally estimated.

Mr. Partington: To date there has been one application for every eight of the 56,000 hard-to-employ young people identified by the minister, and under this program only one placement for every four or five applications made. How can this be considered anything but a failure? Will the minister at least do what he can to expedite the placement process so those few people who do apply–more than one in five–can get some relief from their plight?

2:40 p.m.

Hon. Mr. Sorbara: The member for Brock is attempting to cast aspersions on a program the previous critic over there acknowledged was an excellent program. If he wants to play politics on the first day back, this is a very good time to play politics with an extremely successful program. The fact is that placements are being made at a very rapid rate and my understanding is that virtually every applicant in the Futures program is placed immediately or undertakes the pre-employment preparation if it is seen that such is necessary.

The program is delivered by 22 community colleges throughout the province and 55 youth employment counselling centres. In each case, an applicant who goes to a youth employment counselling centre may be involved in the Futures program, but there are a number of other programs the youth employment counselling centre delivers to the local community. I suspect the member for Brock is confusing placements that happened in other programs delivered by youth employment counselling centres with those placements in the Futures program delivered by the youth employment counselling centres.

Mr. Gillies: On a point of order, Mr. Speaker: I wonder if the minister could show me on the record where I ever said the Futures program was excellent.

Mr. Speaker: Order.

Mr. Warner: Since the minister now admits the program is simply an amalgamation of what

the previous Tory government had tried to accomplish–and it, too, was a failure–would he be willing to remove one of the serious barriers he has put in place for people who are prepared to hire apprentices, and that is to allow rates above minimum wage so that he does not undercut the unions and the union contracts, and allow employers the opportunity to hire apprentices through this program?

Hon. Mr. Sorbara: I did no such thing. I would never admit–and the suggestion is repugnant to me–that we simply dealt with the program of the previous government. What I did say, and what I reiterate, is that there were certain elements in the programs of the previous government which we found effective and we incorporated those into the new program. The new program provides on-the-job training and offers young people a full year of guaranteed employment that is relevant employment because it has an on-the-job training component to it.

As for the business of a supplemental wage, it was our decision, and we think it is an excellent decision, not to allow a tagging-on, because the purpose of the program is not to provide employers with an opportunity of using Futures participants for jobs they would hire others for. That is not the purpose of the program, and in fact that is prohibited in the program. The program is designed to give young people on-the-job training and one year's guaranteed on-the-job training. It is not designed simply to allow employers an easy access to the labour market.

EDUCATION FUNDING

Mr. Allen: I have a question for the Minister of Education concerning the gap between the elementary and secondary per pupil grant ceilings, which now stands at $879 per student and amounts to a total of one third of the total grant for the elementary students in the system. The minister is aware this gap creates considerable problems in the funding of elementary education concerning the provision of an adequate number of teachers, adequate numbers and quality of textbooks, computer purchases and so on.

Would the minister tell us why elementary students in our school system are worth $879 less than secondary, and what is his government's commitment to funding of the elementary panel in such a way as to be fair and equitable to those students?

Hon. Mr. Conway: I want to make it very clear that in the view of this government no student is worth less than any other student in the educational system of this province.

As the honourable member knows full well, there has been developed over the past number of years a funding formula that took into account certain costs that were prevalent in the secondary panel that were not to be found in the elementary panel. Those issues have been addressed over the past number of months by the Macdonald Commission on the Financing of Elementary and Secondary Education, which commission will report publicly, I expect, in the very near future, and which report will provide a timely and important opportunity to review the very question the member has raised.

Mr. Allen: I know the minister would not want to hide behind the Macdonald commission. He is quite aware, I believe, that the answers given by officials in his ministry in recent years pertaining to the differences in the qualifications and experience of the teachers in the two panels, the different scale and nature of the plants entailed in elementary and secondary education and the differential in costs that school boards in their consolidated and more expanded bureaucracies entail for one system or the other, all are now past arguments that are no longer valid.

Will the minister, knowing those facts, now make a commitment that his ministry and his government will close the gap by 1990 by moving significantly in the coming year?

Hon. Mr. Conway: I am sure my friend the member for Hamilton West would want me to take this opportunity to congratulate the Treasurer (Mr. Nixon) of this new government once again for the important and positive steps he took in his first budget of last October to address some of the real concerns in the area of education finance. In addition, I say to my friends the member for Hamilton and the member for Port Arthur (Mr. Foulds) that this government is committed to the equitable financing of both panels of education, elementary and secondary.

I am sure my friend will read with much interest the wide-ranging recommendations that are expected to come from the Macdonald commission, and I know that he, like other members of the assembly, has very carefully pored over the recent submission of the Ontario Teachers' Federation, which has also addressed these issues.

We as a new government are committed to affording genuine equality of educational opportunity and we will move forward in a sensible and practical way during the coming months and years to address the kinds of inequities that have

been raised over time by this member and by others.

Mr. Davis: The Minister of Education hides behind shadows and mirrors when he suggests the Treasurer has increased education budgets.

I have a very straight question for the minister with respect to the $879 difference between secondary and elementary funding. Would he give a commitment to this House today that he will take half of that, around $450, and give it to the elementary panel for primary education, where it is needed now, and not after we spend six months looking at the Macdonald commission report and not after he tries to bring in a new budget in April? Would he make that commitment now if he is really committed to equitable education funding?

Hon. Mr. Conway: My friend the member for Scarborough Centre can be assured that, in the interests of genuine equality of educational opportunity and program in this province, this government will proceed in a thoughtful and deliberative way to address the inequities that developed in the previous administration.

JOB CREATION

Mr. Andrewes: My question is to the Minister of Industry, Trade and Technology. Given the rather shocking information provided by the Minister of Skills Development (Mr. Sorbara) on the rate of placement in Futures, where it appears that about one in five of the applicants to that program has been placed; and given the fact that for the first time in six or seven years the budget of the Treasurer (Mr. Nixon) contained not one single job-creation-incentive program for either large or small business, particularly for those people who are over 25 and unemployed, what specific recommendations is the minister making to his cabinet colleagues with respect to job creation to attempt to stimulate employment in the industrial sector?

Hon. Mr. O'Neil: First, I congratulate the minister for the great job he has been doing in the area the honourable member talks about. If not only the member but also the rest of his party were to look at the record, which shows that 180,000 more people were employed in Ontario during the year, that 51,000 more people were employed from the end of October until the end of November and that we had more than 29,000 more people employed in the previous month, he will see that this government is indeed doing a great job in employment creation in the province.

2:50 p.m.

Mr. Andrewes: I really did not expect the minister to be an apologist for the inadequacies of the programs of either the Minister of Skills Development or his government; nor did I expect to be reminded of the job creation that went on in this province as a result of the previous government's initiatives.

If the minister will cast his mind back to the recent election campaign, he will recall that his leader proposed a program to assist and help small businesses to hire new employees. He proposed a 25 per cent wage subsidy. That was aptly illustrated in an article–

Mr. Speaker: Supplementary, please.

Mr. Andrewes: –in the Toronto Star where his leader was trying on lamp shades and other things. The minister will know that we made a similar proposal during the debate on the budget bills. That proposal was rejected by the government as being premature, too expensive and unnecessary at this time.

Mr. Speaker: Supplementary, please.

Mr. Andrewes: It was rejected by the government and it was rejected by the New Democratic Party.

Mr. Speaker: Will the member please place his supplementary?

Mr. Andrewes: In the light of the failure of the government to do anything about unemployment, to do anything about employment stimulation for those in this province who are over 25, is the minister prepared to recommend immediate implementation of this proposal, which was part of a Liberal promise during the election campaign?

Hon. Mr. O'Neil: Besides showing the great number of jobs that have been created over the last few months, I would also like to elaborate on a few other things in answer to the member's question.

Hon. Mr. Bradley: Does the Leader of the Opposition (Mr. Grossman) have a question on Toyota?

Hon. Mr. O'Neil: Yes, we could mention Toyota, a plant that has brought in more than $400 million, and the $100-million increase in Honda's expansion.

Let me go into a couple of others. Export sales from 1984, which amounted to $142 million, have increased in 1985 to $167 million. This is for June 26 to October 31. That is an increase of 18 per cent. As to new plant facilities in operation, from June 26 to October 31, 1984, there were 14 plants and in 1985 there were 21

plants, for an increase of seven plants or 50 per cent.

The technology centre contracts will also be of interest to members. In 1984 there were 157 contracts for a total of $2.7 million, but in 1985 there were 229 contracts for a total of $2.9 million.

Mr. Morin-Strom: Surely the minister must recognize that the continuing high unemployment rate is particularly severe in northern Ontario. Related to this question of the need for industrial encouragement and industrial growth, we particularly need it in northern Ontario for workers over age 25 as well as for those up to age 25, which is what many of the government programs have been oriented towards.

What action has the minister taken to encourage industrial development and the broadening of the economic base in northern Ontario?

Hon. Mr. O'Neil: That is a very good question. As the member knows, being the critic for his party and being from that area, he and I have met and discussed it. I, along with the minister from the north, hope to give him and all the members from the north our full co-operation in putting together the committees that will do something to give us job creation in the north.

REGULATION OF REST HOMES

Mr. D. S. Cooke: I have a question to ask the Minister of Health. The minister might be aware that on September 21 of last year, an 86-year-old woman died after falling from a rooftop at Regency Park Lodge in Windsor. Also in September, an 84-year-old diabetic wandered away from Bruce Rest Home of Windsor Ltd. and was found dead a couple of days later. The minister will certainly be aware of the fiasco in Ridgetown where 34 residents were moved into an unlicensed rest home in the middle of the night by another rest home operator in a nearby town.

When is the minister going to bring in legislation to regulate rest and lodging homes in this province to make sure the residents of these homes are protected?

Hon. Mr. Elston: I thank the member for his question. I think he knows, as do the other members in this Legislature, that for some time there has been discussion about bringing rest homes under regulation in this province. I would be very pleased to have that member provide me with his outline of ideas as to how that might be developed in relation to the ongoing steps that are being taken by my colleague the member for London North (Mr. Van Horne). Together we could fashion a very good program to ensure that seniors in this province will have very good places to stay even though they may not be in the nursing home field, which is certainly under my jurisdiction.

Mr. D. S. Cooke: We are waiting for the government to do something on its own and not always wait for us to give it our ideas.

Interjections.

Mr. Speaker: Order.

Mr. D. S. Cooke: "Does the minister not believe that the time has come for the province to undertake immediately the drafting of comprehensive legislation and the integration of existing legislation with respect to the licensing standard, funding, monitoring and jurisdictional responsibility as it relates to adult residential facilities?"

I would like to point out to the minister that was a direct quote from Hansard from the former Community and Social Services critic for his party, the member for Windsor-Sandwich (Mr. Wrye). He said at that time the government should bring in legislation immediately.

Has his government changed its policy?

Hon. Mr. Elston: I would like to wish the member for Windsor-Riverside a happy new year too. I really do like to consult with him and other members of the Legislature with respect to policies and I am not going to be deterred from doing that.

The exercise that is now going on through the auspices of the minister without portfolio, my colleague the member for London North, is a very important one. We are taking steps to address all concerns which have been raised by the member in that question and other issues which have come up with respect to services for seniors in the province.

We have not changed our commitment to the betterment of the lifestyle of the seniors in this province one bit. We have and are resolved to put in place the best services possible for the seniors in this province and, together with the member for Kitchener-Wilmot (Mr. Sweeney) and the member for London North, the Ministry of Health intends to take steps very shortly.

POST-SECONDARY EDUCATION

Mr. McFadden: I have a question for the Minister of Colleges and Universities. At a public meeting at the Ontario Institute for Studies in Education, the Treasurer (Mr. Nixon) announced recently that the government had an intention to rationalize Ontario's universities.

Since the Treasurer has declined to define what he meant by his remarks, could the minister

outline to the House today what rationalization of Ontario's universities is now under consideration by the government, either on the part of his ministry or any other ministry?

An hon. member: Thank you for the question.

3 p.m.

Hon. Mr. Sorbara: Happy new year to the member too.

I am not sure whether the member is asking me to define for the Treasurer what the Treasurer means by rationalization, but let me say that we in this ministry and in this government believe that post-secondary education is an absolutely primary and vital component of the successful continuing development and enhancement of the quality of life in this province. Rationalization simply means that we need to be able to deliver post-secondary education in an even better way and more efficiently because the costs are very severe, it is very expensive. There are no particular plans to rationalize any particular element of the system, but we are looking at ways to deliver post-secondary education in an even better way and to do it as efficiently as possible at the least possible cost.

Mr. McFadden: Could the minister confirm or deny that the closing of Brock and Trent universities is under consideration now as part of the rationalization?

Hon. Mr. Sorbara: We are really getting silly now. It is absolutely not under consideration and never has been and I cannot contemplate that it ever will be.

Mr. Allen: I presume the previous questioner was dredging up a memory from the past Tory caucus and some of its contemplations.

May I ask the minister if he would be a little more explicit with us about what rationalization means? In this House we have been through several years of trying to get a previous minister to define what was meant by it. We could never get an answer and the universities could not get an answer. That kind of vague bafflegab is not good enough at this time in history on that issue. Will the minister please define what he means by rationalization?

Hon. Mr. Sorbara: I did not use the word, so I am surprised to be asked to define it. Let me use the example of the Ontario Institute for Studies in Education to explain rationalization somewhat. It was our government's belief that the union of two institutions operating as one would be a better way of delivering the services and the program that OISE had, has and will have. We think that is an appropriate example.

As for the suggestion of the critic in the Conservative Party about the closing of Trent and Brock, it is absolutely ridiculous. We are not in the business of closing institutions. We are in the business of enhancing the ability of every one of the institutions to do the job it is mandated to do and to do it even better than it has in the past.

PLANT SHUTDOWN

Mr. Mackenzie: I have a question of the Minister of Labour. Can he tell the House what role his ministry is playing in regard to the employees at Ellensweig Bakery in Hamilton, who will all be out of a job as of January 17?

Hon. Mr. Wrye: I can take the question as notice. The member knows there are a number of closures. I assume efforts are under way in the normal course of events to ensure those workers are getting all proper severance and termination notice payments and, as we usually do, that we have offered them the opportunity to get new job placements.

Mr. Mackenzie: I ask the minister again to take serious consideration of what has happened in this plant. At the end of September, we had what one might call a sunshine letter to the employees from Weston after the purchase of the plant, then a follow-up letter which said there might be some problems with respect to some layoffs. Six weeks later, the entire work force was notified it was finished. The company has totally refused to give anything over and above the minimum requirements under the law. We are dealing with employees who have 25 or 30 years of seniority.

Surely to goodness we are not going to let a meaner, leaner approach on the part of the companies mean that the people who always pay are the workers, like throwing an old pair of socks down the drain. What is the minister going to do in this matter?

Hon. Mr. Wrye: As I said, if notice was given and there are more than 50 employees, I assume those workers will receive any payments under the severance pay provision, although I would note that any of those payments would be deducted from unemployment insurance payments as a result of the federal regulations now in place.

I will take a look at the circumstances involved in the closure and at the letter the member suggests was sent by Weston and see whether anything can be done in addition.

Mr. Gillies: The minister will know that this is by no means isolated to the Hamilton area. There have been other plant closures and layoffs. Could he not see his way clear to getting together with some of his cabinet colleagues and initiating the type of action he is attempting in the Sudbury area? Does he not think Hamilton is worthy of some of that same type of attention?

Hon. Mr. Wrye: It is unfortunate and at times tragic that there are layoffs and plant closures announced almost on a daily basis. I have not seen the latest employment statistics as they pertain to the Hamilton area. In some of the situations, comparisons can be made with respect to the major employer having diminishing capacity of employment. We are constantly reviewing our policies in terms of initiatives. I am glad the member joins with the government in supporting the initiative I and my colleague the Minister of Northern Development and Mines (Mr. Fontaine) announced recently for the Sudbury basin.

If we believe further initiatives are needed in Hamilton or any other area, those will receive consideration by the government.

ONTARIO FILM REVIEW BOARD

Mr. Runciman: I have a question of the Minister of Consumer and Commercial Relations. Given the minister's obvious indecision in July of last year with respect to the future of the Ontario Film Review Board, can he indicate to the House today whether the summary dismissal on New Year's Eve of seven well-qualified members indicates a hidden agenda to do away with the board, or is it simply a purge to replace those members with Grit hacks?

Hon. Mr. Kwinter: There was no summary dismissal of seven employees on New Year's Eve.

Mr. Runciman: That is not the information I have been made aware of. There were seven members, including three vice-chairmen, who were given their notice and dismissed effective New Year's Eve. Obviously, the minister is not aware of what is happening. He is too busy counting his cars.

Mr. Speaker: Do you have a supplementary?

Mr. Runciman: A few weeks ago in a speech to Brockville Liberals, a rare breed indeed, the minister's colleague, the member for Kingston and the Islands (Mr. Keyes), urged area Liberals to send their Liberal résumés for appointments to provincial agencies, boards and commissions.

Did the minister personally review the qualifications of people being dismissed, people such as community leader Austin Clarke, before deciding to replace them with Liberals?

Hon. Mr. Kwinter: The member does not hear very well. I said to him in reply to his first question that there were no dismissals of seven members on New Year's Eve.

FOOD DISTRIBUTION

Mr. R. F. Johnston: My question is for the Premier. In the past number of weeks we have seen a number of stories in the papers about various groups that have sprung up around the province helping the poor and feeding the poor, such as food banks, culminating in the last few days with the whole public school system in Toronto talking about giving food to the poor in the city of Toronto.

What is the Premier's response to all these initiatives that are taking place? Is he pleased this is happening or does he see this, as I do, as some kind of major failure at the moment of our safety net which needs major repair?

Hon. Mr. Peterson: The honourable member raises a question that is very troubling to every one of us as we travel across this province. On one hand, one could say there has been a community response, measured by many volunteer agencies as well as by government help. The member will be aware we increased our support for those groups.

Any time one sees a community response of volunteers such as that, one has to derive some satisfaction. On the other hand, the fact that it is necessary is even a greater source of disappointment to everyone.

3:10 p.m.

The member will be aware that the minister has looked at the income support program. He would argue, I assume, that it should be higher. It was increased this year. We have a number of exceptional circumstances, to which these food banks cater. We are worried from some points of view that they will become an alternative system of welfare delivery and be too bureaucratic.

On the other hand, when I visit one of these places—and I am sure the member is like me—and I see a young family, a mother with two or three small children at the end of the month, and it is the only place to get hot food, then I say, "Thank God they exist." However, I get no joy from that.

Mr. R. F. Johnston: I do not intend to demean the work they do at all; just the opposite. I am asking the Premier whether he does not see

this as a reflection of a major failing within our system. We are supposedly in the middle of a recovery, and yet this kind of dire need is greater than ever.

I therefore ask the Premier, along with the minister, who is not present today, to please consider a major review of all the social assistance programs in this province. It should be a public review and it should look at them in very large terms. While we increase payments and provide this emergency help to people, something is wrong when we are supposedly recovering and the rest of us are doing well, yet these people are suffering so badly.

Hon. Mr. Peterson: I am not wedded to the past in any sense with respect to the delivery of our programs. If the honourable member or others have better ideas, I will be delighted to work with them. I would like to hear the member's specific ideas on what the review should encompass.

He and I have, I am sure, heard discussions in the policy groups of all three parties here of things such as a guaranteed annual income and other ways of dealing with the situation. My colleagues and I are amenable to any kind of constructive suggestions to get the moneys to where they are needed to make sure they are spent effectively for single mothers and for kids who do not have enough to eat, because those are realities today. Whether it is one system breeding another system or how we can make the delivery of services more efficient, we are struggling with it, we will continue to struggle with it and we will welcome every constructive idea in that regard.

Mr. Gillies: Will the Premier undertake at the very least to consult with his colleague the Minister of Skills Development (Mr. Sorbara) to ensure that the unemployed help centres will not be impeded from operating food banks if they wish? Officials of his government have told some of those unemployed help centres they cannot operate food banks. Would the Premier agree that this is mean-spirited and that he should reverse this stand?

Hon. Mr. Peterson: This government would never condone anything that was mean-spirited. Obviously, we have been great fans of the unemployed help centres, as the leader of the member's party will be aware. We encouraged that party, when it was in power, to proceed and create more. One of the objectives of the budget of the former Treasurer, now the Leader of the Opposition (Mr. Grossman), was to create 100 of them across the province in order to help deliver the programs that now exist.

We are prepared to help people in responding to community needs in the most appropriate role possible. Obviously, we have to avoid duplication; there is no point in having seven different people do the same thing. However, we would be prepared to consider any suggestions the member has.

Mr. Speaker: There seem to be a lot of private conversations. Some may be necessary, but I do not think they all are.

PETITIONS

ROMAN CATHOLIC SECONDARY SCHOOLS

Mr. Morin: I have a petition, signed by 191 members of the Coalition for Public Education, in opposition to the extension of public funding to the Roman Catholic separate school system.

Mr. Brandt: I have a petition from the Ontario Secondary School Teachers' Federation, District 3, Lambton county, from the same organization that was indicated by the previous member, the Coalition for Public Education. It is signed by 187 individuals and indicates their opposition to the extension of funding to Roman Catholic separate schools.

Mr. Villeneuve: I also have a petition, which is signed by 164 individuals and presented by the Grand Knight of the North Stormont Council 6809, Crysler, Ontario, to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario and which supports the funding of separate schools.

NOTICE OF DISSATISFACTION

Mr. Andrewes: Before we go to orders of the day, I wish to give notice under section 28(a) of the standing orders of my dissatisfaction with the response to my question to the Minister of Industry, Trade and Technology (Mr. O'Neil).

[Later]

The Deputy Speaker: Perhaps it is an opportune time before five o'clock to advise the members that pursuant to standing order 28, the member for Lincoln (Mr. Andrewes) has given notice of his dissatisfaction with the answer to his question given by the Minister of Industry, Trade and Technology (Mr. O'Neil) concerning job creation programs. This matter will be debated at 10:30 this evening.

[Later]

Mr. Speaker: Just before we recess, I inform the House that earlier today the member for Lincoln gave notice under standing order 28 of his dissatisfaction with a response to a question.

At that time, the chair indicated that would be heard this evening at 10:30. However, under standing order 28 that is impossible. That discussion will take place tomorrow evening at 10:30.

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

Hon. Mr. Nixon: I wish to table the answers to questions 101, 105, 117, 136, 137, 138 and 140 in Orders and Notices [see Hansard for Friday, January 10].

Mr. Speaker: There are quite a few private conversations again. I do not feel they are necessary in such great volume.

ORDERS OF THE DAY

THIRD READING

The following bill was given third reading on motion:

Bill 47, An Act to amend the Retail Sales Tax Act.

ELECTORAL DISTRICTS REDISTRIBUTION (continued)

Resuming the adjourned debate on the motion for consideration of objections to the report upon the redistribution of Ontario into electoral districts.

Hon. Mr. Kerrio: I rise to speak about redistribution in the electoral district of Niagara Falls.

Hon. Mr. Nixon: Mr. Speaker, on a point of order: Before we listen to the honourable member who is on his feet, I understand the member for Burlington South (Mr. Jackson) had not completed his remarks.

Mr. Jackson: In my comments at the last sitting on this subject, I was in the process of referring to some statements made by members of my community who wished their comments read into Hansard.

I wish to quote from one who said: "I wish to protest against the recommendations of the commission to make Elizabeth Gardens part of an Oakville riding. It seems to me that if we have to vote with an Oakville riding, we will not only be alienated from Burlington but also from Oakville. This is a time to bring people closer to government, not move them further away."

This message, like many others, comes from east Burlington. It is from Mr. and Mrs. Fabok. They have lived in Burlington for 21 years and have watched their children grow up in Burlington. They are concerned that the Ontario Electoral Boundaries Commission has taken very little notice of them, has simply satisfied population quotas and has artifically ripped them out of the Burlington South riding and planted them in Oakville.

There are comments such as that from Violet Dalton, who worked for the East Burlington Homeowners Association for many years. She said, "We do not have much chance of getting anything done if we are just a little bit of land at the end of Oakville."

The Coltons wrote: "We are Burlingtonians and wish to be treated as such. We feel that if this recommendation goes through, we will not have a voice in either community."

On and on the people of east Burlington have written to make it clear they are residents of Burlington, constituents of Burlington South and see no reason they should be ignored in the fashion suggested by the commission.

Specifically, the council of the city of Burlington has written to me and to the commission on more than one occasion to express its continuing concern about the proposal to put a section of east Burlington known as Elizabeth Gardens into Oakville merely to balance population figures.

3:20 p.m.

"This, it would seem, goes against the grain of remaining criteria contained in the terms of reference," the city says, "particularly those related to the community of interest and respect for existing ward or municipal boundaries. The position of east Burlington singled out has always been included in a Burlington-only riding, so major problems in voter identification could be expected to result.

"In the spirit of the city's earlier submission, this report recommends petitioning to retain the integrity of the eastern boundary of the Burlington South riding and that city council resolve that the Legislative Assembly be petitioned through the city of Burlington's elected representatives to request the commission to restore Burloak Drive from the Queen Elizabeth Way to Lake Ontario as the eastern boundary for the Burlington South riding. This, as you know, was originally proposed by the commission."

As I said before, the commission has generally done a good job, given the complexities of its mandate. It has maintained the integrity of Halton's boundaries, and in most of Burlington South it has recognized the Highway 403-Queen Elizabeth Way transportation corridor as the natural boundary line marking the communities of interest. Having done so much, it is unfortu-

nate the commission could not have followed through logically with consideration for all of its mandate on all the criteria for riding boundaries.

The southern Ontario ridings all have an average population of 68,267. Under the proposal as suggested, Burlington South would have a population of 66,457. The commission has endeavoured to keep all the Halton ridings within a few thousand voters of each other. This is certainly a laudable objective, but not when it means tinkering with established historical boundaries, as is proposed for Burlington South.

The people, the city and I have all asked that the boundaries be restored to Burloak Drive rather than cutting out an integral part of east Burlington and adding it to the proposed Oakville South riding. In fact, the member for Oakville (Mr. O'Connor) has stated that the wishes of east Burlington residents should be respected by the commission in its final report. It is a move that fits all the criteria for the commission.

It has been the historical boundary for the riding since 1874, and the south has been intact as a voting area. It adheres to the natural means of communication, which is very important. The local newspapers serve these individual communities. No Oakville newspaper or cable TV station has coverage in the affected area of east Burlington. That area is served by the Burlington Post, the Burlington Gazette and Burlington Cablenet, all of which are well known and respected in the community as providers of community news and information for the people of Burlington.

As stated in my petition, "The commission failed to give due consideration to the means of communication by failing to recognize the absence of any significant communication that exists between and in any way unites the area known as ward 8, currently in Burlington South and proposed by the commission for inclusion in the Oakville South riding, thereby rendering more difficult adequate representation for its people in parliament."

Burlington South would be a slightly larger riding by population than some of the others in Halton, but as I have said, I am not afraid to represent more people in Burlington South. They are my constituents, and I am very proud to represent them.

I should add that it would be only slightly larger than the norm, using the Ministry of Revenue's own figures for the October assessments. Restoring the Elizabeth Gardens area to Burlington South would give the riding a population of 75,111. That is exactly 10 per cent larger than the average riding, well within the bounds acceptable to the commission and close to what the commission considered acceptable for Burlington in its first proposal at 73,141 constituents. It would be closer to the average than 55 of the riding proposals currently being debated in this House.

We must also look to the future. South of the Queen Elizabeth Way, the city of Burlington is established and stable. Without exception, there are no plans for growth, nor is there room to accommodate it. In fact, in the planning district the commission proposes to take away from Burlington South there has been a net decline in population over the past three years, according to the provincial assessment figure.

While it may be larger now, the other ridings in Halton will very soon catch up. It only makes sense to make the more stable areas and ridings larger than the potential growth areas so that changes we make now will remain equitable for five or 10 years. Why should we remove people from a stable riding if it means creating imbalances in a couple of years as the growth areas in Halton catch up in population?

I urge the electoral boundaries commission to follow all the criteria of its mandate when determining the final recommendation for the riding of Burlington South, to acknowledge the traditional riding and municipal boundaries of Burlington as the rightful boundary line for the east end of Burlington South, as it has recognized traditional boundaries and communities of interest throughout the rest of this great riding.

Hon. Mr. Kerrio: I rise to speak to the change of boundaries in the city of Niagara Falls. I would like to bring a couple of things into perspective as to why I am opposed to change on the southernmost boundary line of the electoral district of Niagara Falls.

When I came to the Legislature in 1975, it appeared as though we were making a major breakthrough in serving the people of the various districts with constituency offices. I thought that step was a long time coming and much needed in that the prime responsibility of most of us here is to represent the people from a given district.

The change that has taken place in this boundary is going to transfer some 4,000 or 5,000 people from the riding of Niagara Falls to the riding of Erie. I point out, without going into too much detail, that what is happening here is that it is taking four or five city blocks in width from the southern boundary and transferring it to the city of Fort Erie.

My main contention is that this does not change the numbers enough to warrant the inconvenience those people are going to suffer in having to go to Fort Erie to visit constituency offices, rather than being able to go to an office that is now serving them very well within the bounds of the city of Niagara Falls. I am very disappointed that it would even consider such a change, taking into account that it is some 12 miles removed from the city of Fort Erie and is part of the city of Niagara Falls.

I will not dwell too much longer on this, but the fact is they have had to go to a major indentation of my district to make this change and the southerly limit now is one with which I do not concur. I hope it will be given the kind of consideration it is due so I can properly serve those people who are being taken out of this district. I hope the serving of my constituents will be taken into account as the highest priority in the dividing or arranging of districts for the electors.

Having said that, I hope due consideration will be given to referring that line. If some minor changes have to be made, I hope that at least those people who reside within the city of Niagara Falls will be left within the electoral district of Niagara Falls.

Mr. Wiseman: I am pleased to be able to speak on the redistribution bill.

I noticed Mr. Bailie was in the Speaker's Gallery a few minutes ago–he may still be up there; yes, he is–and I am glad he is here to listen to all the members. I thank him and the other members of the commission who travelled to the hearings in Ottawa to listen to many of us from eastern Ontario.

As it pertains to Lanark county, I am pleased that he and the other members of the commission listened to some of our suggestions and reduced the area that Lanark would take in to add four more townships and the town of Arnprior. That would give me, under this proposal, 17 townships and five towns, or a population of 57,400.

3:30 p.m.

My concern as a member from a rural riding has always been that we be able to serve that riding as it has been accustomed to being served in the past, not only by this member but by other members who have gone before me. The people in rural Ontario want a little more and expect a little more of their members because they feel closer to them.

One can think of a rural member as being almost like the old country doctor. I am sure every rural member in the Legislature will agree that as long as one's car is in the garage or in the driveway, people will come in and say, "I should not bother you at home, but...." They feel free to be able to do that because over the years one has built up a working relationship with them.

This is no reflection on the members from the city, but many times I ask people who come from the city who their provincial or federal member is, and many of them cannot tell me unless he is a high-profile person, either a cabinet minister or somebody who is rocking the boat quite a bit and gets in the press. They think they are in the riding of such a member, but when one questions them a little bit further, lots of times one finds they are not in that riding at all. Unless they have worked for a provincial or federal member, they do not know which riding they are in or who their member is.

However, that is not the case in rural Ontario. I am sure most members are the same as the member for Lanark. Many times when I go to a parade or a fair, I run into seven- or eight-year-olds who say: "Hi, Doug. How are you today?" The parents will grab hold of them and say, "He is not 'Doug' to you. That is Mr. Wiseman." I feel a bit of gratitude in knowing they know who I am. The example I gave of the city members certainly is not true in rural Ontario.

By the same token, many of us in rural Ontario–like some in the city, I am sure–attend a lot of 50th or 60th wedding anniversaries, 90th or 100th birthdays and so on. When a member is from a rural riding and his constituents get to know him, he is like one of the family and he is asked to go to many other functions that I am sure city members wish they could get in on but do not because they lack the closeness.

Let us look at the areas to which many of us have to drive. Lanark under present conditions is 50 miles long and about 40 miles wide. I can honestly say that on a Saturday when I make two or three stops and end up at the north end of my riding, which is a good hour and 15 or 20 minutes away from home at the current speed limit, when I go home, if my good wife did not drive I do not think I would make it lots of times. It certainly is not from the influence of alcohol or anything like that; it is sheer exhaustion at the end of a long day.

The report speaks of widening the territories. I talked to the present member for Renfrew North (Mr. Conway), and I looked at the riding that will encompass his, the riding of Parry Sound-Nipissing-Renfrew. When one looks at that on the map–and I speak now to Mr. Bailie and his commission–if the members of that commission

were the member and had to serve that; or look at the riding of the member for–

Mr. Guindon: Cornwall.

Mr. Wiseman: Cornwall is not too bad. Look at the riding of Stormont, Dundas and Glengarry, which comes right up to the border of Lanark county, a little east of Merrickville, and takes in everything from Merrickville right through to the Quebec border. I am sure it will not be humanly possible for him to give the kind of service he has given in his time around the Legislature, and others before him such as Osie Villeneuve, have given to that area. When one sees the size of that area, I am sure the electoral boundaries commission will want to take another look at it.

Another area I am concerned about in the proposal to go to 130 seats, and have been right from the start, is rural Ontario. I am familiar with it and hate to see it eroded any more than it is. It is going from 32 seats to 28 seats. Urban Ontario jumps by nine seats. We all expect that where there is growth in the cities the number of ridings will grow, but we do not want to see the voice of rural Ontario eroded from the present 32 to 28. Goodness knows what it will be a few years down the road when redistribution comes in again. Rural Ontario will be squeezed, as it is now, into larger pieces of the pie and probably will drop to 20 seats so the voice of rural Ontario will be heard less and less.

We who represent rural municipalities would be doing a real injustice if we do not stand on our feet and say we have had enough of this; we want the 32 seats to remain. However, if the electoral boundaries commission sees fit to adjust it to keep those four rural seats, I am sure all the people in rural Ontario will appreciate it. I hope all the rural members who have not spoken in the Legislature will get up on their feet so Mr. Bailie can take back to his counterpart the strong objection we have to the voice of rural Ontario being reduced. Our children who are coming after us will not have the same representation we had over the years as young people, growing up to where we are today.

With those words, I would ask the government and Mr. Bailie to look at those and to give us areas that are humanly possible to serve, because the rural people demand more service from their members. I wonder how many people in the Legislature have talked to one of the people from a city riding or some place close by, who have often said, "You fellows from rural Ontario are a couple of hundred miles away; you have to be here anyway." They go home and have their constituency office hours a couple of times through the week. I see the odd one from rural Ontario shaking his or her head. If we could do that, it would free up an awful lot of time on the weekends. They expect us to be here. We are a couple of hundred miles from home, so we cannot run home for meetings or constituency office hours. I do not think it is too much for us to ask to be considered and to have the 32 seats reinstated.

3:40 p.m.

Mr. Cordiano: Over the past 10 years, a sense of real community has developed in what is now known as the riding of Downsview. Under the proposed boundary changes, the existing riding of Downsview will basically be split in half. Highway 401 is used as an artificial boundary line to divide the riding in half.

The section north of Highway 401 retains the name of Downsview, while the section south of the 401 becomes part a newly created riding. The section south of the 401, representing better than 50 per cent of the present riding of Downsview, is sectioned off and becomes the better part of the new riding of Lawrence. The southern section of what is now the riding of Downsview is really an integral part of the community that makes up the present riding.

The people north of Highway 401 are well served by various institutions south of the highway, such as churches, schools, libraries and various community centres. The cultural links are very strong. As I say, the community has really developed over the last 10 years. Drawing a line at Highway 401 arbitrarily cuts off those cultural links. It cuts off the people south of Highway 401 from electoral expression in the riding of Downsview.

In its attempts to draw lines on the map, the commission no doubt has given a great deal of consideration, as has been pointed out by numerous other members, and has a very difficult set of decisions to make. Nevertheless, it is a question that must be dealt with. I might make a few suggestions regarding the riding of Downsview and I hope the commission will consider them.

First, I believe the section of the proposed riding of Downsview as described in the present arrangement, bounded on the south by Finch Avenue West, on the east by Keele Street, on the north by Steeles Avenue and on the west by Black Creek, should be retained in what is now the present riding of Yorkview. This area includes York University and has long been an historical part of the riding of Yorkview; an integral part of it.

Second, I would recommend the commission consider including the area west of Jane Street and bounded on the north by Sheppard Avenue and on the south by Highway 400 in the riding of Downsview.

Third, and last, I also recommend retaining the portion of the southern section of what is now the riding of Downsview; namely that area bounded on the east by the Canadian National Railway tracks, on the south by Lawrence Avenue, and the western boundary should be Black Creek Drive and the Highway 400 extension.

In addition, the commission might consider including the area north of Highway 401 and just south of the Downsview airport, bounded on the west by the CNR tracks and by Dufferin Street on the east, as part of one of the other neighbouring ridings immediately to the east.

Those are my recommendations. I hope the commission will take them into consideration.

Mr. Turner: I would like to take a few minutes to address some problems arising out of the redistribution of the electoral district of Peterborough. Before I get started, I would like to wish everyone a happy new year. No doubt it is going to be a great year.

Mr. Sargent: Having said that.

Mr. Turner: Be careful. I also want to pay tribute to the electoral boundaries commission for the task it has assumed. It is a very difficult one. Undoubtedly the commission's members see it perhaps somewhat more objectively than we do. Yet I think we, as members, have a more complete understanding of the local areas and boundaries and of what disruptions can be caused by what may appear to the commission to be a minor variance, if you will.

When the commission was formed in June 1983, it was asked: "That for the purpose of the distribution the commission shall take into account: (a) the community or diversity of interests; (b) means of communication; (c) topographical features; (d) population trends; the varying conditions and requirements regarding the representation as between urban and rural electoral districts; existing boundaries of municipalities or wards thereof; the existing and traditional boundaries of electoral districts; and special geographical considerations, including in particular the sparsity, density or relative rate of growth of population in the various regions of the province, the accessibility of such regions or the size and shape thereof."

In its final recommendation, the commission recommended that the Otonabee River, which runs roughly north and south through the city of Peterborough, be used as a boundary or dividing line.

Mr. Mancini: That sounds logical.

Mr. Turner: Not really, if the member will just stop and listen for a moment.

The area that lies east of the Otonabee River was, up until the turn of the century or shortly thereafter, a separate community known as Ashburnham, now popularly referred to as East City, but for the old-time residents who remember the separate municipality the name is jealously guarded.

The original population of the electoral district of Peterborough was 89,435. In its first recommendation, the commission made a division which reduced the electoral district to 74,299, which was approximately nine per cent over the recommended size.

Keeping in mind the terms under which the commission was appointed and asked to take a look at these various regions and ridings, it was, I believe, allowed a 25 per cent plus or minus variance. We were nine per cent, and there were objections to that. There were hearings held in the city of Peterborough at the courthouse, which I think emphasizes some of the problems that I will deal with a little later.

The hearings were held in May 1984 in the county courthouse in the city of Peterborough, at which time various submissions were made by various people, including myself. I made a very strong point that the commission should give very serious consideration to recognizing the existing municipal boundaries and providing as little disruption as possible.

Mr. Speaker, you are going to have to bear with me, sir. As well organized as I was, I have misplaced some notes, and I know that in the spirit–

Hon. Mr. Eakins: Give it off the cuff.

Mr. Turner: I do not want to take up too much time. Here it is. Thank you very much.

The electoral district of Peterborough, as currently defined, includes the townships of Ennismore, Smith and Douro, the village of Lakefield, the townships of North and South Monaghan, the township of Cavan, Otonabee township, the village of Millbrook and Indian reserves 35 and 36.

Despite the fact that the population figures are on the high side, there is no doubt the actual boundaries of the riding are quite compact.

3:50 p.m.

In its subsequent recommendation, the commission recommended in 1984 that the electoral

district should consist of the villages of Millbrook and Lakefield, the townships of Cavan, Ennismore, North Monaghan, South Monaghan and Smith, and Indian reserve 35 and that part of the city of Peterborough lying westerly of a line defined as follows: commencing at the intersection of the southerly limit of the city of Peterborough with the Otonabee River, thence northerly along the Otonabee River to the southerly prolongation of the course in the northerly limit of the city of Peterborough oriented in a northerly and southerly direction and situated immediately west of Champlain Crescent, thence northerly along the said prolongation to the northerly limit of the city of Peterborough.

Keep in mind that when we made the submission to the commission in Peterborough, we emphasized the lines of communication were centred on the city. The county seat of government is located right in the centre of Peterborough. It is the centre of all our media and communications facilities. The radio stations, television stations and local newspapers are all centred in the city of Peterborough and they serve the whole rural outlying area as well as, I might say, some of the bordering ridings as well.

The main bone of contention in meeting with representatives of the city and representatives of the county seems to be the suggestion or recommendation of using the Otonabee River as a boundary. Trent University, which was mentioned earlier in this House under somewhat different circumstances, lies on both sides of the river. One can imagine the confusion and difficulty in having two representatives being of service to that one institution. It would be a very difficult situation for the members involved and a more difficult situation for the institution itself.

The Quaker Oats Co. of Canada, which is based in Peterborough, lies on both sides of the river. If they have a problem, with which member do they deal? I can foresee the rather complicated set of circumstances that would evolve from that.

St. Joseph's General Hospital lies on the eastern part of the river and thus would be divided from the city of Peterborough as a political entity. Do they deal through the district health council; through their local member, whoever that may be? It creates all kinds of problems from social, economic and political points of view.

The way the riding of Peterborough is now constituted, from boundary to boundary, either east and west or north and south, at the maximum would be about an hour's drive. There would be no difficulty in servicing it and I have never heard anyone complain about the level of service or indeed the lack of service.

Interjection.

Mr. Turner: I am being provoked. I have an article taken from the Thursday, December 13, 1984, Peterborough Examiner wherein it states, "Trent and the NDP Protest Proposal." By Trent they mean Trent University.

Mr. Gillies: And by the NDP?

Mr. Turner: We all know what they mean by the NDP.

Mr. Gillies: That is what Mike said when he was there.

Mr. Breaugh: They used to be in opposition.

Mr. Turner: You just wish it were so. I refer to an editorial taken from the Peterborough Examiner of November 28, 1984, that states very emphatically that East City is indeed Peterborough. As has been noted before, Mr. Bailie is sitting in the Speaker's gallery taking copious notes and paying close attention to what is being said.

Mr. Breaugh: He cannot take notes up there. That is highly illegal.

Mr. Turner: No, he is not. He has a very benign smile on his face. I know he will give every consideration, keeping in mind, if I may take a few more seconds and quote from the commission's-

Mr. Wiseman: Take 20 minutes.

Mr. Turner: I will continue, with the indulgence of my friends–and I use that word advisedly–to the left.

Under the latest revised proposal, the population would come out at 70,813, which is a plus variance of 3.7 per cent. However, when I read the commission's recommendations in its own documents, I see a Mississauga riding at 76,000 for a plus variance of 11 per cent. There is another Mississauga riding at 80,000 for a plus variance of 18.2 per cent, and there is another Mississauga riding at 77,000 for a plus variance of 13 per cent.

Mr. Breaugh: What about Oshawa?

Mr. Turner: Oshawa; I am glad he asked that. Oshawa is at 76,805 for a plus variance of 12.5 per cent. I will not bore the members with the details because I know they can read as well as I. Do they want me to go on?

Mr. Gillies: Brantford.

Mr. Turner: Brantford?

Mr. Breaugh: Brantford is not on the map any more. There used to be a member in Brantford, but not any more.

Mr. Turner: Yes, it is. For heaven's sakes, Brantford is at 74,315 for a plus variance of 8.9 per cent. I submit, and I hope Mr. Bailie is tuned in, as I know he is–

Mr. Wiseman: He is smiling; he is listening

Mr. Turner: Good. I just wonder why we in the great riding of Peterborough are discriminated against to the point where we are held down while more urban metropolitan municipalities are allowed, for whatever reason–I would not want to second-guess the commission and I would not want to impute motives either.

Mr. Breaugh: It sounds as if you are trying to suck them in.

Mr. Turner: No; I just ask myself what is wrong with the great riding of Peterborough when we are being held so close to the recommendations, with a variance of plus three?

Mr. Sargent: Mr. Speaker, on a point of order: The former Speaker brings up a good point, but this is a case of Tory gerrymandering that has backfired.

The Deputy Speaker: That is not a point of order.

Mr. Turner: I am not going to be provoked at the beginning of the year by my good friend the member for Grey-Bruce (Mr. Sargent), but if I may refer to this, I see they have a plus variance of–

Mr. Breaugh: They do not even have a riding any more. They put him totally out of business.

Mr. Turner: As a matter of fact, the member is quite right. I can find Grey–but anyway with all respect–

Mr. Breaugh: How many can that guy represent? Zero.

Mr. Ruprecht: We will find room for him in Parkdale.

Mr. Breaugh: We know about your rooms in Parkdale.

Mr. Gillies: We know about your rooms.

4 p.m.

Mr. Turner: Wherever. I would like to be serious for a moment and ask the commission to give very serious and thoughtful consideration to looking at the proposed electoral boundaries of the riding of Peterborough as they affect the city of Peterborough. It is totally unfair and unwise to try to divide a municipality. The commission was asked to honour, respect or recognize existing municipal boundaries as much as possible. I respectfully ask the commission to give very serious consideration to including the whole of the city of Peterborough in the riding which is named after that great city and that great county.

Mr. Sargent: There is this big flap about redistribution as if it were the end of the world. Henny Youngman, the comedian, said, "I have all the money I need for the rest of my life as long as I die by four o'clock this afternoon."

This is not as serious as we think it is. This is only a commission we have appointed and there is no statute in place dealing with this subject. For this reason, we can be very flexible. The member for Peterborough (Mr. Turner), great Speaker that he was, should know there is no one in a better position to advise about the boundaries for Peterborough than the member himself. I am advised that every one of these deals can be negotiated–

Mr. Turner: What kind of negotiations?

Mr. Sargent: The member should wait and see. This is only a commission we appointed.

Mr. Turner: What does the member mean by "only a commission"?

Mr. Sargent: We appointed a commission to bring in recommendations, but they are not carved in stone. We are a democratic group of people who know our own ridings and what we need for boundaries. The member for Peterborough spoke about his riding. He should know what the boundaries should be, not a couple of appointed commissioners, as good as they may be.

I admire both of them for their backgrounds in serving the public. They are John Thompson and Mr. Justice Sam Hughes. There are no set, firm guidelines. They should be established now. For a man in my position–I have been here about 100 years–to wake up and find I do not have a riding any more.

Mr. Turner: The member is kidding.

Mr. Sargent: Grey disappears. That may be good in the eyes of a lot of people. Custom has it that every 10 years a legislature–American, Canadian or provincial–has the option to redefine the boundaries as changes may warrant, but there are no set, firm guidelines. At the outset, it would seem to be the desire of the commission to try to run this show on a county guideline basis. That does not work. Some ridings, such as Brant-Oxford-Norfolk, have three county names.

We have great disparities in the population. The basic concept of democracy is representation

by population. We sure as hell do not have rep by pop here. Scarborough North, for example, has 161,000 people; York Centre, 118,000; and York North, 100,000. The game plan there might be to have a net increase of two seats. Brampton has 149,000 voters; Mississauga North, 140,000; and Mississauga East, 100,000. Most ridings across the province have around 50,000 or 60,000 people; so we have to do some very intelligent manoeuvring and negotiating.

Mr. Breaugh: It is called gerrymandering.

Mr. Sargent: This party is not a party to gerrymandering. We do not have to do that.

There is a map here. Let us lay this out on the floor so we get a good chance to look at it. The exciting thing about this whole map, members will note, is that there are a lot of red pieces on it. We used to see a lot of blue around Toronto, Ottawa, Carleton East and London; now it is mostly red.

Mr. Sheppard: Does the member want a pointer so that he can point out what he is talking about?

Mr. Sargent: We are not gerrymandering. We are talking about intelligence here.

We have heard about the craziness of having 161,000 voters or 118,000 voters in one riding. That is not good business on anyone's part. The House can pass a resolution at any time setting up this commission, as it has done, for a negotiated deal.

Mr. Turner: It does not say anything about a negotiated deal.

Mr. Sargent: The member had better think about that.

The bottom line is that we can change five seats in rapidly growing areas and leave all the rest of the province alone. That is the bottom line. All this hocus-pocus about going through this exercise every 10 years is not carved in stone. We have a good case to be intelligent and break down those ridings of 150,000. There will be a gain of five seats in those major ridings that will settle the whole issue.

Mr. Sterling: First, I would like to pass along my understanding of the problem the commissioners must face in dealing with a very difficult situation in trying to satisfy the wants of members like the member for Grey-Bruce, who has just spoken, who would see his riding disappear or would see three ridings become two. That same problem exists in the Ottawa area with the ridings of Lanark, Renfrew North and Renfrew South.

I appreciate the problems that exist. Perhaps I view it a little differently from some of the other members, not being as concerned with my own longevity or with that of any other MPP in a personal sense. I am more interested in how this chamber operates and in how each MPP operates after the next election.

4:10 p.m.

In that regard, I would have changed two things in the instructions given in the resolution of 1983. I know the commission is not supposed to do this according to that particular resolution, but perhaps I could urge the House leaders to amend the original charge, if that is possible within the framework of the legislation.

The commission was asked to look at drawing the lines on the basis of the 1981 census. We have much better information available to us now. The electoral enumeration lists of the election of May 2, 1985, give us a much better picture of the number of voters in each riding.

I know the lists do not give the population, the basis on which the commission was responsible to divide the ridings. I would rather it divide on the basis of electors rather than population anyway. It should look at the 1985 electoral lists and draw its resulting boundaries from those. Instead of looking at a population of about 70,000, it should look at a voter base that comes in somewhere between 45,000 and 50,000 electors.

Second, although the instructions given to the commission were to tie the commission, the instructions were that there should not be fewer than 125 seats nor more than 130 seats on redistribution. If we are going back to the drawing board, if that is a consideration of the government, I would like–

Mr. Hennessy: The member is not suggesting 90 seats, is he?

Mr. Sterling: I am suggesting 94 seats actually.

I suggest we take a fairly radical move to 94 seats, which is the number of federal members of Parliament in this province, and that the ridings be coincident with the federal riding boundaries. That would mean a larger population for each and every one of us to represent, but for the population it would make politics or its understanding of the situation much easier. That would mean we would go from 125 to 94 seats. It would eliminate some of our usefulness around here after the next election, notwithstanding the change in the winds of our ability to get elected.

This is not the first time it has been done since 1867. In 1867, 82 ridings in this province were

carved out. This grew to 112 ridings for the election of 1926. Between 1926 and 1934, the ridings were reduced to 90; they went from 112 to 90 ridings. It is not an impossible situation to face.

As I said, the most important reason for my wanting this would be to try to make the political organization easier for all the parties to organize within each riding. Also, it would make it much easier for the population to understand there is a provincial member and a federal member for Grey-Bruce or whatever riding one picks.

It would also elevate the importance of an MPP in relation to his federal colleague. In some ways we are viewed by the public as the junior legislature. If one views our Constitution and our powers within this Legislative Assembly, one will find we are not junior in the effect we can have on the population in making rules.

I know it is not within the commission's mandate to consider that suggestion, but if that were done in the future, it would be of great benefit to the electorate.

Next, I would like to make some general remarks regarding the factors the commission has been instructed to take into account, with particular regard the riding of Carleton-Grenville which I have been honoured to represent for the past eight and a half years. At the outset, nothing would please me more than if the commission found it would leave the boundaries of Carleton-Grenville intact. If it looks at the criteria, the existing situation in Carelton-Grenville is almost perfect in terms of the population and the number of voters. The only question about Carleton-Grenville is that it is growing very rapidly in the north end at this time, in the city of Kanata and the township of Goulbourn.

I recognize that Carleton-Grenville is touched on seven sides by seven different ridings. Because of the elongated nature of Carleton-Grenville, I was prepared for the fact that in redistribution Carleton-Grenville would be under attack, if one might say that. However, I do not feel that at the Grenville county end in particular the commission has paid close enough attention to what it is charged with in terms of community of interest.

In community of interest and diversity of interest, the two have different effects when one talks about the elected representative or about the population. With respect to representative, as the member for Carleton-Grenville I have enjoyed and benefited greatly by representing the high-tech centre of Canada, the city of Kanata, and by representing a very industrial area at the other end of my riding along the northern shore of the St. Lawrence River. In the north, the area represents a stable employment situation; whereas in the southern end, in Grenville county, that unfortunately is not the case.

As an elected representative, I say the commissioners should not be as concerned about the elected representative as about the concerns of the people of the community and with whom they want to be joined. I do not care much; in fact, the more kinds of people I have the privilege to represent the stronger I would be as the member for all those communities.

The major objection I have to the second submission is the severing of Grenville county down the centre. At Confederation, Grenville county was roughly equivalent to one and a half ridings. There was a riding for southern Grenville, a riding for southern Leeds and a riding for the northern part of Leeds-Grenville.

That association between Leeds and Grenville has gone on for a long time. Under the present makeup, in terms of population and voter density, Grenville county now equates to about two fifths of a riding. It represents about 40 per cent of the riding of Carleton-Grenville, which I said before probably represents about the ideal population the commissioners are trying to achieve in their redistribution. That association with Leeds county, as I will exhibit later–

Mr. Mancini: Take your time.

4:20 p.m.

Mr. Sterling: I submit to the member for Essex South that it is a very important matter to Grenville county and to the people of eastern Ontario that the commission be properly informed. This is the only route my people have to the commission as set out in the legislation, and I will speak for as long as necessary to put that forward.

If the pattern of community interests is changing in Grenville county–and, as I say, the ties are very strong with Leeds-Grenville–it is going to the north, if anywhere, rather than to the east, and this is happening because of a number of factors. As members know, and as I am certain the commission knows, Grenville county, I guess from the last redistribution in 1967, was joined with Dundas county, which is to the east.

Also during that period, until the election of 1979, there was a federal riding of Grenville-Carleton, the provincial riding being the flip-flop of it with respect to its name. Grenville-Carleton was represented by a very notable politician. Of course, I am talking about the late honourable Walter Baker, who forged a tremendous associa-

tion between the Ottawa-Carleton area and the southern part of Grenville county.

However, since then there have been other events which have meant that at least the northern part of Grenville county is turning towards the north rather than to the east or even the traditional neighbours to the west. I am not sure whether transportation could come under the heading of communications, which is part of the commission's considerations. I guess one could put it within it.

Highway 416, which basically runs up the gut of Grenville county, recently has been extended by 10 miles from the Rideau River, as members might be aware, from the edge of Grenville county down through the township of Rideau to the edge of the city of Nepean. The route for Highway 416 has been designated in Nepean to bring it into the Queensway, and it is expected construction will take place within perhaps five years if the promises the former government made are fulfilled by the present one, and I hope they are.

That road is drawing the Grenville county area very much to the north, and in fact Highway 416 now is used by a number of Ottawa residents to come to Toronto as a shorter route, not in distance but in time. If members want to put it this way, Grenville county is getting much closer to the city of Ottawa as these highway and transportation improvements take place. It is quite interesting to note that, if Highway 416 also becomes a four-lane highway through Nepean, which was the plan of our previous government, that will again increase the access to the Ottawa area.

I might also outline to the commission that there are other outlying communities not within the Ottawa-Carleton area which relate very closely with Ottawa-Carleton at this time. They are communities such as the village of Winchester in the riding of Stormont, Dundas and Glengarry; the town of Rockland and the township of Russell in the riding of Prescott-Russell; the towns of Carleton Place and Almonte in the riding of Lanark; and the town of Arnprior in the riding of Renfrew South.

All those communities have been growing and gaining more importance in the Ottawa-Carleton area; many of the people who live in them work for the federal government and drive to work each day. In essence, the Ottawa-Carleton area is expanding outward. Members will see my reason for bringing this forward when I make some recommendations about how the commission might approach the problem of looking at the boundaries when it brings forward its final suggestions in the form of an act before this Legislature.

One other matter I would like to mention concerns community of interest and diversity of interest. I represent both urban and rural communities and both fast-growing and older, more established communities. While I recognize no community likes to see lines splitting it in two, the trauma associated with doing so is greater in the rural community, because in a lot of cases I have found they are more politically aware and have to utilize their member of the provincial parliament to a much greater degree than do some of the urban centres.

Therefore, I would suggest that if the commission has the choice between dividing a smaller rural or an older, established community and dividing a younger community, the younger community would be better able to adapt to the change than would the older community. I have both older and newer communities to deal with.

An example of this is the splitting of the city of Kanata between the ridings of Carleton and Carleton-Grenville. I represent the majority of the population, but the member for Carleton (Mr. Mitchell) represents the majority of the geographical area. The only objection I have ever heard to the fact that two members represent the 27,500 people who now live in Kanata is that it is difficult to delineate the boundary because it is on an old township line.

If the commission found it still had to split Kanata, that would not be a great problem for a lot of the people in this community, because they are new to the community and are perhaps more accustomed to change than are some of the other people I represent in rural or small-town areas.

I have a number of documents I would like to read into the record. I know this is a bit slow and tedious for some of the members. Unfortunately, however, this is the fashion in which I can get these matters before the Legislative Assembly, and I intend to do it this way.

First, I would like to read from a resolution by the county council of Leeds and Grenville. I will try to read only those parts that are pertinent to the debate this afternoon. This is dated January 28, 1985, which was close on the heels of the second–

The Acting Speaker (Mr. Morin): Order. Speak to your colleagues, not to the gallery.

Mr. Sterling: Thank you very much, Mr. Speaker. I am concerned only with those who are going to be making the decisions on the words I might be saying today. I will make another

speech, I promise, when the bill is before us. I will go through all of this again for your benefit in case you have missed any of it.

4:30 p.m.

"The council"–this is the county council of Leeds and Grenville–"goes on record objecting to the splitting of the county of Grenville riding for the Legislature seat.

"Our first preference is to leave the riding as Carleton-Grenville. However, if changes must be made in the riding, this council would strongly feel that a new riding should be established comprising totally Leeds and Grenville. The counties of Leeds and Grenville now jointly provide municipal services such as education, health services, homes for the aged, roads, etc. Grenville has no mutual interest with the counties to the east, and it would seem more acceptable to be joined with a county that has common interests and service-sharing with Grenville."

On December 10, 1984, the town council of Kemptville passed a resolution:

"In view of the proposed boundary changes announced by the electoral boundaries commission, this council is not in favour of these announced changes whereby Grenville county would be split, with our eastern portion being added to the provincial riding of Stormont, Dundas and Glengarry."

Attached to that resolution was a letter from the clerk, M. R. McIntyre, who was instructed to do so. I will read from four paragraphs contained in that letter, which is dated December 12, 1984.

"The mayor and councillors are irate over this matter as Kemptville has absolutely nothing in common with Stormont, Dundas and Glengarry.

"Kemptville is a part of the united counties of Leeds and Grenville, with land registry office in Prescott, functions within the Leeds-Grenville County Board of Education, the Lanark-Leeds-Grenville Board of Health, the Lanark-Leeds-Grenville assessment office, as well as all other boards, courts and public groups in the two counties.

"Council strongly opposes any change that would divide the county of Grenville. It is of the opinion that the mathematics of the changes may be in order, but the effects of the change in regards to human feelings and historic background of the area may not have been sufficiently understood.

"Council would support leaving as is our Grenville county being incorporated with Leeds county so that there is a continuity in the management of the services for the people concerned."

That was a letter from the town clerk of Kemptville, and a resolution, which I read in full because the council of the township of Edwardsburgh also passed a resolution supporting that resolution. On December 27, the council of the township of Edwardsburgh passed a resolution supporting the resolution of the town council of Kemptville.

The township of South Gower basically supported the town council of Kemptville in a resolution as well. Grant Christie, the then and present reeve of the township of South Gower, wrote to the then Premier, William G. Davis at that time. I think it is important that his letter be read into the record as well because it also has a flavour in it, the part about the association with the north.

"If this proposal takes effect, South Gower would be amalgamated with the counties of Stormont, Dundas and Glengarry. The sitting member of the Legislature would be Mr. Noble Villeneuve, whose centre of activity is in Cornwall, Ontario. While council is sure Mr. Villeneuve is a fine representative"–and I can attest to that–"he should be so distant from our local township and its concerns that, with the best will in the world, he would not be able to represent our interests, nor should he be expected to do so."

I am not sure whether that is correct. I am sure the member for Stormont, Dundas and Glengarry would be capable of doing a very good job. However, I am reading the letter of a reeve in this instance.

"It is also clear to council that many of our residents commute to work in Ottawa, and South Gower's interests lie northward with Ottawa, some 30 miles distant, and not with Cornwall some 90 miles away. The current electoral boundaries recognize this reality."

I hesitate to read the following paragraph, but I will:

"I might add that our provincial Conservative member is Norm Sterling, whose good offices are readily available to us and for whom we have the highest regard. The council has no desire to change this relationship."

In addition, I received a letter from Wesley Baldwin, the clerk-treasurer of the village of Cardinal. This is a letter to me:

"Please be advised that it was unanimously agreed by all members of the village of Cardinal council at their regular meeting held on Monday, December 3, 1984, that they oppose any boundary changes to the existing riding represented by yourself."

The council of the township of Augusta passed this resolution, dated December 10, 1984:

"That this council goes on record objecting to the splitting of Grenville county. Our first preference is to leave the riding as Carleton-Grenville. If changes must be made in ridings, this council would prefer that the new riding be established and made up totally of Leeds-Grenville. The counties of Leeds-Grenville now jointly provide services such as education, health services, homes for the aged, roads, etc. Grenville has no contacts with the counties to the east and it would seem more acceptable to be joined with a county that has everything in common with Grenville."

There were many editorials and articles in the local newspapers, the Kemptville Weekly Advance and the Prescott Journal. Both those papers expressed the view that there was little interest between Grenville county and those counties particularly to the far eastern end of the riding of the member for Stormont, Dundas and Glengarry.

Those editorials expressed outrage, I guess, not only at the splitting and joining with the east, but also–and I hope the commission members remember this–at the fact that Grenville county has been bounced around in both federal and provincial riding redistributions to a very great extent over the past while. Federally, I think it was Leeds-Grenville first, then it was Grenville-Carleton and now it is back to Leeds-Grenville. Provincially, it was Grenville-Dundas, then Carleton-Grenville and now it is going to be half one way and half the other. I guess they feel they are caught in a squeeze to satisfy everybody else's needs and their needs are down at the bottom.

In summary, in terms of the priorities dealing with Leeds and Grenville counties, I guess their first priority would be to stay as one, their second priority would be to try to move to the west, if that is possible, and I would say the third priority would be to move to the north.

As I mentioned in my opening remarks, I realize the difficulty the commission is faced with. I suspect that when the commissioners were deciding on the boundaries for the ridings in eastern Ontario they probably started at the Quebec boundary thinking they could not go any farther east and they had to start from there and come west.

I would suggest that an alternative way of approaching the problem of dealing with eastern Ontario would be to start at the centre of population. As we know, the centre of population for eastern Ontario is the Ottawa-Carleton region. The Ottawa-Carleton region has half of the population of eastern Ontario.

4:40 p.m.

Currently, in the Ottawa-Carleton area–if we start in that area and move outwards, which I would like the commission to consider as an approach–we have six full ridings plus parts of Prescott-Russell and Carleton-Grenville and a small part of Renfrew South. The two ridings that cause the greatest problem are Carleton and Carleton East; in particular Carleton East because of its large size, and it is still growing at a rapid rate. My riding of Carleton-Grenville and the ridings of Carleton and Prescott-Russell are also growing at rapid rates. If any ridings in eastern Ontario are going to be undersized, they should be in those areas in the fringe around Ottawa-Carleton.

I propose that the commission create six or seven inner Ottawa-Carleton ridings that will have limited growth in future. I suggest it use not only municipal boundaries but also the National Capital Commission greenbelt as a possible boundary, because of communities such as Barnhaven and Bridlewood. While part of the city of Kanata they are outside the greenbelt. There is a natural boundary there as well as the municipality's boundaries, even though both sides are in the city of Nepean. Nepean and Gloucester will have to be split and I suggest the greenbelt be considered as a good partition.

Those are the inner Ottawa-Carleton ridings, and if they can be made to correspond as much as possible to the existing ridings, that would be appreciated by the existing political structures that are there and I am sure by the existing members. It would then create three or four outer ridings, which is not the way the commission has put it forward.

I suggest the commission look at creating three or four outer Ottawa-Carleton ridings. These ridings would be in communities that are growing rapidly. I recognize that in the next redistribution after this one, if we ever get to it, they will require another change. However, there are six or seven inner ridings that could probably stay intact the next time around.

Outside the Ottawa-Carleton outer ridings, I suggest the commission try to create ridings that are as closely associated as possible with the federal boundaries. Leeds-Grenville would be created to be as close as possible to the federal riding. Prescott-Russell would be made as close as possible to the federal riding by rotating it around a little into Glengarry county.

I know my friends the member for Cornwall (Mr. Guindon) and the member for Stormont, Dundas and Glengarry would not agree with me, but a Cornwall-centred riding would be created that would stretch into the rural riding to a greater extent. The commission would make up the deficiencies for Lanark county or Renfrew South by creating spokes into those four transitional ridings that slop in and out over the Ottawa-Carleton boundary.

That is where towns such as Arnprior, Winchester, Almonte, Carleton Place, Kemptville, Merrickville and Rockland are. Those people are the ones going in and out, and therefore I think they are more suitable for a riding that spokes out into eastern Ontario.

Lastly, I would like to say that in terms of the representation out into the rural areas, it is my feeling the Grenville county feeling is so strong in this circumstance that it would probably put up with a lesser degree of service from its MPP if the commission saw fit to join it with Leeds-Grenville than be joined to the east. They feel that strongly on this issue.

I think the commission can come forward with a more innovative plan than its last existing plan. I accept, acknowledge and understand their difficulties in dealing with the problem, but I would hope they would look at my suggestion of how to approach it and perhaps come up with some different resolutions in the act.

No doubt, as the member for Grey-Bruce indicated, we can negotiate for the final boundaries, but that is going to have be done after the act is brought in. Those negotiations are going to be difficult because what may be good for the seven other members around me may not be good for the communities in Carleton-Grenville. Therefore, I say Godspeed to the commission and thank members for the opportunity to speak on this matter.

It is extremely important to Grenville county that it be unified or go to the north. If the commission has to split it, I suggest it be split on a north-south basis rather than an east-west basis. I do not submit to any splitting at all, but that would be more logical in the present circumstances of the social and economic situation of Grenville county.

Mr. McGuigan: I am glad to enter this debate. I would like to say that redistribution and change to the boundary is no stranger to Kent-Elgin. Going back to pre-Confederation, the riding of Kent covered most of southwestern Ontario. It reached up into the Georgian Bay area. In those days it was probably the largest riding in the province.

It has had a rather storied history in that one of the very first members from Kent was captured in the War of 1812. There was a series of books distributed to each member about three years ago giving the history of the various ridings. The article never said what became of the gentleman, but he was captured by the Americans in the War of 1812. I presume that when peace came he was released.

Looking over that history, another member was elected but could not find time to come and sit in the Legislature. We complain about those members who spend a good deal of their time working in their ridings, but this gentleman never once attended the Legislature because he was too busy acting as the Indian agent. He apparently had a great number of duties. It did not say whether he ever collected his pay or what happened to his constituents, but he did not attend the Legislature. Of course, the location would not have been Toronto in those days, but he did not attend.

4:50 p.m.

In the late 1800s another member by the name of Ferguson was elected by acclamation, a gift any member would rather envy, not having to go through the trauma and hard work of an election.

Any member here who believes in the history of this great province and in the history of the democratic process in general has to support the idea that we have representation by population. I do not oppose carrying through those great aims. When we look upon the great variance we currently have in Ontario, I think each and every member recognizes that some changes have to come about. I do not have any great opposition to the changes in the riding of Kent-Elgin, apart from those that disrupt the relationships that every member builds up during the course of his incumbency.

At the eastern end of my riding in the county of Elgin I am privileged to have an area largely populated by Scottish people. If we go back to Colonel Talbot, when he was a land agent responsible for distributing land to new settlers, he put the Scottish people all in one township, Dunwich. I do not know whether he had any racial bias or just what it was, but he managed to put these people geographically as far away from himself as he possibly could. It has been a great pleasure for my wife and me to become acquainted with those Scottish people, because my wife is of pure Scottish descent and I have a great deal of Scottish and Irish blood in my veins.

Before I joined the Legislature back in 1966, on a trip to Britain I indulged myself with a set of kilts and the complete costume. We have great fun at the Scottish games that are held in Dutton every summer; and during the winter, usually close to January 25, on Bobby Burns's anniversary, we attend the Burns supper, wear our Scottish clothing and show our Scottish heritage. Given the climate of southwestern Ontario, I would have preferred that Bobby Burns had had his birthday at some other time than January 25, which is normally the coldest week of the year in Ontario. It is tough on the knees to wear a kilt at that time.

If I may digress a little, I will tell members about the experience of wearing a kilt. Members may have noticed they wear a big pin on the right-hand corner of this garment.

Mr. Lane: What do they wear under it?

Mr. McGuigan: There is an answer to that, but I will not give it, because it is unparliamentary. I will give the member for Algoma-Manitoulin the answer to that on some other occasion.

They have a pin that puts the two folds together—or so I thought. So I pinned them together. Then I wondered why the backs of my legs were being chafed so badly—as a matter of fact almost to the point of drawing blood, all the skin having been rubbed off the backs of my legs at a very tender point, the back of the knee joint. I discovered that one is not supposed to join the two folds of the kilt together; that the pin goes through only one layer, because otherwise, when the two are put together, one does not get the proper swing of the kilt and it chafes one's legs.

Anyway, it has been a great pleasure working with those people and getting to know them, and I really hate the thought of having to lose the two townships in Elgin, Aldborough and Dunwich, where we have done so much work.

I believe I am correct when I say the town of Dutton had never voted Liberal since Confederation until this past election. It was some matter of comfort to think that electoral change had come about to make that historic shift.

The other change that would be made in the riding would be that we would lose the two townships and three towns in Elgin and we would take over areas in Essex county, up to Leamington and beyond. That is an area in which I would be perfectly comfortable running as a member because it is a horticultural, fruit-growing and farming area very similar to my own type of farming. I feel I would be quite comfortable and could serve them well. Nevertheless, I hate to see those personal bonds changed.

That brings us to the major point I have against the present plans for redistribution, the point that was touched on by the member for Lanark (Mr. Wiseman) a few minutes ago. He pointed out that Ontario would lose four rural ridings.

It is important for a number of sociological reasons. Rural people do not move their homes. They do not move around from place to place as city people do. The figure given for the cities in Ontario is that about 25 per cent of the people move during the course of a year. Young people move into town and acquire an apartment, after a few years they buy a starter home and then perhaps a few years later they move to a larger home in the suburbs. This brings about a great deal of instability and movement among those people.

In rural areas, unless families are forced off their farms they will stay there for generations. They bring a stability of character, politics, religion and business that is, in many ways, of great benefit to Ontario. These people are not stampeded by the vagaries of politics, economics or the winds of change that happen. They take them philosophically, in their stride, as much as possible. There is a value there that is beneficial to this province and I would hate to see it change.

There is one element in rural Ontario I want to point out. The present economic climate of agriculture is probably one of the worst periods the farming community has been subjected to since the Great Depression of the 1930s. This is due to the many world production conditions that have changed. Many countries to whom we sold grain are now producing their own, so the market has shrunk. At the same time, the production capacity of the land has increased. So we have the spectre today of a surplus of food in all but the continent of Africa, where we have a shortage.

There has been a great deal of stress put upon the farm community. Over the years, government after government has said the answer to this is simply to reduce the number of farmers. The latest farm bill that was just passed by the United States about three or four weeks ago has taken the position that if it cuts down the number of farmers there will be a greater return for those who are left, a bigger slice of the pie, and the problem will be solved.

5 p.m.

The former government of this province took that position with its report in 1969 called The Challenge of Abundance. One of the major conclusions of a big study of the report in the

province was: "Why do we not simply get rid of a few farmers? Those remaining would be better off." This has never worked out, because as long as we have greater physical production and those goods are seeking a smaller and smaller market, there are going to be low prices and those will affect the people who are left in the system just as badly as those who were forced out.

As we gradually eliminate the number of rural ridings, as suggested in taking the 32 current ones and bringing them down to 28, we allow more and more impetus on the side of the nonrural people to buy the argument that one simply solves the problem by getting rid of the people. By maintaining as many ridings as we possibly can, we have a chance to counter that argument and point out that the problem is not the numbers of people in agriculture but the lack of markets and the tremendous overcapacity in this industry.

Those rural people have an obligation, one they take seriously, to guard the agricultural resource, guard the land, maintain its quality and fight the erosive factors there are in Ontario, such as wind, soil and water erosion, which are contributing to problems of flooding, shoreline protection and all of those matters that are becoming very serious today. Agricultural people have a concern about the quality of our air and the damage chemicals coming from industrial factories and automobiles are doing to the crops we grow.

Those agricultural people have an interest in keeping the rural landscape of Ontario beautiful. When city people decide to go into the country for a drive or a visit or simply pass through it to go from one point to the other, they are going to see a landscape that is aesthetically pleasing to them and one that is healthy for their children and for generations to come. By reducing the number of rural ridings, we reduce the number of people who are willing and able to fight for retaining and improving the rural resource.

I would like to see changes made in those ridings that have such vast numbers. Mention has been made of a riding in Toronto that has more than 200,000 people. If one believes in democracy, one has to believe that riding should be changed. It seems to me we could make some of those changes in the city ridings without upsetting the complete landscape by changing rural boundaries throughout this great province.

I am happy to have taken a few minutes of the Legislature's time to speak on this important matter. I attended a meeting in Windsor a couple of years ago. I spoke at that time about the necessity of retaining the rural riding of Kent-Elgin as it was, and apparently with some success because the first proposal was to eliminate the riding completely. It has been retained in the sense that instead of being Kent-Elgin it will now be Kent-Essex.

I simply add my weight to that of other members to try to resolve this problem as equitably as possible.

Mr. Leluk: I am delighted to take part in this debate on the proposals for the redistribution of electoral districts in Ontario as submitted by the Ontario Electoral Boundaries Commission in its two reports of February 1984 and November 1984. I wish to commend the commission on its most difficult task of revising the present boundaries of the 125 electoral districts, made necessary as a result of an increase of approximately one million people in the population of Ontario as reflected in the 1981 census.

I can personally attest to the difficulties the commission may experience in arriving at a final decision and, further, the difficulties some members of this assembly may have with accepting that final decision. When the last redistribution of boundaries took place in 1975, I was one of two Metro members who lost their riding in its entirety. However, I moved a little further west and have been representing the present riding of York West in this assembly since 1975. At that time, it was difficult for me to accept the commission's decision, but no doubt it was an equally difficult decision for the commission to have to make. The member for Grey-Bruce might call that "Tory gerrymandering."

The city of Etobicoke has a population of some 299,000 people at present. The riding of York West is in the western segment of that city. It is a stable and relatively middle-class riding, inhabited in the main by home owners and families. There is a core of high-rise apartments which dominates the centre of the riding, but many of the units are condominiums. Only 33 per cent of York West residents rent their homes.

The present population is 80,320. The boundaries are the Macdonald-Cartier Freeway—or Highway 401 as it is known—on the north, Kipling Avenue on the east, Etobicoke Creek on the west and the Canadian Pacific Railway tracks just south of Dundas Street West on the south. The riding is divided north to south by Highway 427. We have four electoral districts at present: the riding of Etobicoke in the northern segment of the city, the riding of Humber in the eastern segment, my riding of York West in the western

segment and the riding of Lakeshore in the southern segment.

As the elected member in this assembly representing the riding of York West, I object to the proposed boundary revision set out in the publication entitled Proposed Redistribution of Electoral Districts within Metropolitan Toronto, 1984, and in particular to the proposed boundaries for the riding of York West. The proposed change of the southerly boundary is from the existing boundary of the CPR tracks to a new alignment along Bloor Street West in the city of Etobicoke.

The Deputy Speaker: Excuse me. There are three conversations going on in the caucus of the member who is speaking. They are disturbing his speech.

Mr. Leluk: They are obviously very interested in what I have to say.

Interjection.

The Deputy Speaker: I noticed you looked around a couple of times. Will you please give the member your attention or carry on your conversations elsewhere?

Mr. Leluk: Thank you, Mr. Speaker.

Although this first proposal would reduce the present population from 80,000 to approximately 73,000, it creates some serious problems. The area concerned is a residential area bounded on the west by the Etobicoke Creek, on the north by Bloor Street West, on the east by Kipling Avenue and on the south by Dundas Street West, containing some 7,000 persons.

5:10 p.m.

The reason for the objection is mainly the disruption of the existing community of interest affecting Markland Woods, which has been a long-standing community. The residents of the area in question currently enjoy a community of interest and close ties with those north of Bloor Street, the proposed new boundary. They have many interests, consisting of sharing common libraries, school facilities, recreational and park facilities, commercial and shopping facilities. A Bloor Street boundary would divide the area serviced by three home owner associations, about five home and school associations, about four major sports leagues and various social clubs, such as bowling leagues, bridge clubs and a golf and country club.

The area in question is totally isolated from the residential areas to the south by a sizeable industrial area that discourages any sense of community with the existing Lakeshore riding. The area does not share any common interest facilities with the other residential communities in the Lakeshore riding. In other words, the southern part of the Markland Woods community would have very little relationship, if any, to the Alderwood community, for example, which is to the south and just south of the Queen Elizabeth Way.

I was pleased to see that in the second report, Revised Proposals for Redistribution of Electoral Districts within Metropolitan Toronto, 1984, the commission in its wisdom went back to the original southern boundary of the CPR tracks and took into consideration those submissions made by three or four groups that appeared before it during the public hearings after the first report was tabled in this House.

It has proposed new boundaries on the east by having Martin Grove Road as the eastern boundary down to the Westway, across in an easterly direction to Kipling Avenue, while Kipling Avenue would remain the boundary on the east all the way down to the CPR tracks at Dundas Street West. This makes a lot more sense to me, because the community in that small section, which numbers about 4,500 or 4,600 persons, has closer ties with the community on the east side of Kipling Avenue than where the original proposal would have had it fall.

I was pleased as well to see that a number of representations were made with respect to the change of names of the four districts in the city. For some time there has been confusion. As an example, in the last provincial election one of the major Toronto papers–I was not going to name it but I will–the Globe and Mail, which seldom makes mistakes in its reporting, had an accurate map of the riding showing the exact boundaries: Highway 401 on the north, Kipling Avenue on the east, Etobicoke Creek on the west and the CPR track to the south.

However, in the content of the story it talked about the boundaries of the federal riding of York West, naming the boundaries for the provincial riding as being the Humber River, Lawrence Avenue West, Keele Street, Highway 400 and Steeles Avenue West.

There has been considerable confusion in the past between the boundaries of the federal riding of York West and the provincial riding. When one notes that the riding of York West federally does not even exist in the city of Etobicoke, but is found in the most northwestern section of the city of North York, it is confusing.

In speaking to many people, when one mentions the riding of York West they seem to be at a total loss as to where that particular electoral

district is situated; so I am delighted the commission has seen fit to propose in this second report changing the names to Etobicoke North, Etobicoke West, Etobicoke East and Etobicoke South.

I would have accepted it personally if they had wanted to retain the historical name of Humber, which is associated with the river that forms the eastern boundary for the riding of Humber. They could have named that riding Etobicoke-Humber, and if there was an interest in retaining the name of Lakeshore, they could have renamed the southern riding Etobicoke-Lakeshore. That would have been quite acceptable.

As far as I am concerned, the boundaries of the present riding could have remained as they are. We do not foresee any sizeable increase in population over the next five-year period. The present population is around 80,000. We would anticipate the population, which is fairly stable, would remain approximately the same over the next five-year period, or even take a slight dip by some 500 persons. However, that might cause an inequality in the population in the riding to the east. Therefore, we are not unhappy with the proposal put forward by the commission in this second report with respect to that change in the northeast section of the riding.

I do not believe I have any other comments to add. I know there are some others who would like to speak. Unlike some of our other colleagues in this House who like to go on at great length, I will take my seat.

Mr. Polsinelli: It is my pleasure to rise and participate in this debate regarding the redistribution of the Ontario electoral districts. I would like to say at the outset that I am generally happy with the work the commission has done with respect to the riding of Yorkview, which I am pleased to represent. However, I have a few remarks I would hope the commission would take into consideration in any plans it may have to alter the new boundaries of Yorkview.

First, dealing with the area lying north of Finch Avenue, east of the Humber and west of Weston Road, which was formerly part of the electoral district of Etobicoke, I am happy to see that the commission has decided to include that in the new riding of Yorkview. This area is part of the municipal city of North York and properly belongs to a riding wholly bounded by the municipal boundaries of the city of North York. I compliment them on that recommendation.

5:20 p.m.

Second, dealing with that area of the old Yorkview riding, now in the new riding of Downsview, lying north of Finch Avenue, west of Keele Street, east of the Black Creek and south of Steeles Avenue, that area basically comprises two distinct and separate communities, one of them being York University, which is a self-contained university and which basically can form part of any of the electoral districts that abut it.

The second community, commonly referred to as University City, consists of rental apartments and condominiums. It has a considerable degree of isolation and is bordered to the north by York University, to the east by Keele Street, to the south by Finch Avenue West and to the west by the Black Creek. That area has developed a unique sense of community. It also has a self-contained shopping plaza and a very active tenants' group and community council. In fact, it is another self-contained community that could reasonably form part of any electoral district that abuts it.

Third, I want to deal with the commission's use of natural boundaries when dividing the new riding of Yorkview. Generally, as I indicated earlier in my comments, I am very happy with the decision to use the Humber River as the westerly limit of the new riding of Yorkview and Highway 401 as its southerly limit.

With respect to the easterly limit of the new riding, I would suggest to the commission that Jane Street and the Black Creek are appropriate boundaries. I would further suggest that if the commission has any intention of expanding the new riding of Yorkview, it should take into consideration expansion along the Black Creek, which I believe it has done in the area of the new Yorkview riding lying north of Finch Avenue.

The new area, which lies east of Jane Street, north of Sheppard Avenue, south of Finch Avenue and west of the Black Creek, is in effect its own community. It basically consists of a subdivision of new homes that have been erected within the past four or five years, and there is much in common between those new homes and the homes lying to the west of Jane Street.

If the commission intends in any way to expand the new riding of Yorkview, I request that it consider using the natural boundary of the Black Creek and extending that boundary south to Sheppard Avenue.

Mr. Sheppard: I would like to rise and make a few comments. I am quite happy to congratulate the Ontario Electoral Boundaries Commission because my riding is not going to change. It has 67,000 people and about 47,000 eligible voters in 15 municipalities: nine townships, two villag-

es and four towns. It goes from Trenton to just west of Port Hope and is bounded by Rice Lake on the north, the Trent River to the east and the north, and by Lake Ontario to the south. We have a mixed riding–half rural, half urban–but I am sure that when the electoral boundaries commission looks at this it will leave it unchanged because it is an A-1 riding, well represented here at Queen's Park.

I have been talking to several of the rural members, and I want to say that I question whether any of the rural ridings should be changed at all because we are getting fewer and fewer in Ontario. The electoral boundaries commission should take another look at the big ridings in all the large centres to see what happens when a riding is changed.

In Victoria-Haliburton, for instance, where the commission is thinking about taking Manvers out of that riding, there are two different counties involved. Northumberland is one county; it has been one county since 1974. We elect a warden each year, as do Victoria and Haliburton. However, if we look at a riding to the east of us, Hastings-Peterborough, we see that the member for that riding has to go to three different wardens' elections each year. I know his population is not quite as large as mine, but I cite that as an example to show that as many of the rural ridings as possible should be left the same and that the biggest change should be made in the large urban centres where it does not cause upset.

If we take out one or two townships, especially when they are all in one area–for instance, if we take out one municipality, the school buses for the Northumberland and Newcastle Board of Education might have to run in different directions. In the area of fire protection, in the great riding of Northumberland we have what we call a co-ordinator; all 15 municipalities have fire protection, but he is the key. It would be disruptive if we were to lose one municipality to Quinte riding to the east or one municipality to Durham East riding to the west.

I recommend to the electoral boundaries commission that it take a hard look at redistribution and leave as many as possible of the rural ridings as they are at present.

Mr. Speaker: Hon. Mr. Elston has moved, seconded by Hon. Ms. Caplan, that the House consider motions 1 to 36 standing in Orders and Notices and further notices filed with the Clerk of the assembly relating to the provisions of the Report upon the Redistribution of Ontario into Electoral Districts, such further notices to be published in the notice paper on a day prior to the conclusion of the debate on this resolution, and notwithstanding its previous terms of reference, the commission is hereby authorized to give consideration to all motions so filed and to all submissions reported in Hansard during the discussion of this resolution.

Motion agreed to.

ROYAL ASSENT

Mr. Speaker: I beg to inform the House that the Honourable the Lieutenant Governor has assented to certain bills in his chambers on Tuesday, December 31, 1985, and today, January 6, 1986.

Assistant Clerk: The following are the titles of the bills to which His Honour has assented on Tuesday, December 31, 1985:

Bill 48, An Act to amend the Land Transfer Tax Act;

Bill 49, An Act to amend the Tobacco Tax Act;

Bill 50, An Act to amend the Fuel Tax Act, 1981;

Bill 51, An Act to amend the Gasoline Tax Act.

The following is the title of the bill to which His Honour assented today, Monday, January 6:

Bill 47, An Act to amend the Retail Sales Tax Act.

ONTARIO LOAN ACT
(continued)

Resuming the adjourned debate on the motion for second reading of Bill 43, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund.

Mr. McFadden: I rise with some trepidation to discuss the borrowing of $2.8 billion. I have never had a chance to debate anything of that scale before with respect to borrowing and debt. It is something like entering a fantasy land of a financial nature. When my wife and I sit at home discussing major expenditures, we often have a lengthy debate about $280. To be rising here to discuss $2.8 billion and where it is going to come from is really something.

Mr. Ashe: It is peanuts to the Treasurer (Mr. Nixon).

Mr. McFadden: Somebody mentioned it is peanuts. That is an awful lot of peanuts we are going to be borrowing from pension plans. When I first got Bill 43–

Mr. Breaugh: The Tories used to spill more than that.

Mr. McFadden: I was not here in those days.

Mr. Foulds: How soon they forget.

Mr. McFadden: We have not forgotten. When I first got Bill 43 I looked and thought perhaps I had missed about three zeros.

5:30 p.m.

Mr. Gillies: The good old days; reduce the deficit.

Mr. McFadden: That is right. One thing the governments in this province, federally and in the western world have worked their way to is that the debts currently being built up are so large they are beyond the average person's comprehension. I think they are well beyond the comprehension of most business people as well.

In fairness, when one compares the amount of borrowing and the level of debt in Ontario to that in Ottawa, Ontario is the very model of modesty. I can see the Treasurer blushing. In the current fiscal year, Ottawa is looking at borrowing something in the order of $37 billion to $38 billion, figures that are incomprehensible to almost anyone.

In fairness, I should point out that the current federal government is the first government in many years to be working seriously to try to bring the deficit under some control. To some extent that is in contrast to the current situation where the latest budget is witnessing an increase of some $400 million over the previous fiscal year, something approaching $500 million.

Mr. Gillies: A $700-million tax increase.

Mr. McFadden: And a $700-million tax increase, as my colleague so accurately points out.

One thing that is overlooked by those in the media and by most members of this House is who is going to pay for this deficit we are now involved in approving the borrowing for; and who is going to pay for the accumulating deficits, in Ottawa, here and in other provinces? Future generations of Ontarians and Canadians will not see the benefit of most of this borrowing but will be paying the tab in more than one way. They will pay in terms of their taxes but, more to the point, they will pay in terms of services they will not be able to have because we chose to borrow and deficit finance to the point where generations in the 1980s, 1990s and on into the 21st century will have to pay.

Ontario's overall picture is dramatically better than Ottawa's because of the kind of total budget planning that was done by the current leader of our party, the member for St. Andrew-St. Patrick (Mr. Grossman), together with our former leader, the member for Muskoka (Mr. F. S. Miller), and successive previous Treasurers who exercised a great deal of restraint and effective budget management through these many years.

I am very concerned about the direction indicated in the current budget. I mentioned that we are looking at a budget deficit increase pushing $500 million. More worrisome is the section in the budget which basically downplays the importance of the province's credit rating. The deficit increase is bad enough, but the policy direction indicated by that section which tends to downgrade the importance of credit rating is a disturbing change, one that should disturb the people of Ontario.

We do not know how much of this $2.8-billion authorization will be used up by the province. It is a general enabling provision that allows borrowing of up to $2.8 billion. This kind of bill in itself is disturbing in the sense that one would almost think we were authorizing someone to buy a new hat or new shoes and saying not to spend more than $100 or $200 on that expenditure. We are effectively allowing a government to spend up to that amount and telling it just to let us know, when it has spent it, how much it has spent.

I know the old hands in this House find this a suitable way to carry on, and perhaps if I am here for a while and have a chance to deal with one or more of these bills I will become immune to this as a way to carry on financially. However, as somebody who has had some experience, at least in business and in running community agencies and groups, I find this whole method of carrying on to be something that would not be generally satisfactory to most people in the community, in the business community, in social agencies and elsewhere.

I find this whole debate contrasts with the kind of thing one would expect to find, for example on the board of a United Way agency where they fight to balance budgets and they cut and make changes. They work through the agony of making sure their agency can deliver its services within the budget they have, a process I have gone through myself on many occasions.

What do we find here this afternoon? We are approving a $2.8-billion deficit through general enabling legislation with no specifics. If I were on the board of a United Way agency and were authorizing deficits like this they would throw me off; the United Way would stop giving us money because it would regard us as a group that could not be responsible for the kind of spending it was undertaking. The whole process of budget

management and how we handle it requires a major revamping and review, because it is not the kind of process we would tolerate in a business, in a community group or even in municipalities.

I know this is a time-honoured way of doing it, as I have already said. It is a method that has become the practice over the years, not only in Ontario but also in other provinces. However, it is a method that should be reviewed. While we are clearly not going to stand in the way of getting on with raising the money required to meet the expenditures of this province, I believe it is necessary for us to think seriously about how this is being done and about the amount of the deficit, and to make some serious attempt to bring down the deficit and to bring our spending into line with what we can afford.

That completes what I wish to say other than to simply point out in conclusion that in the budget which I assume the Treasurer will bring forward this spring I hope we will see some significant attempt, either through suggestions in the budget papers or in the budget itself, to find methods of bringing down expenditures and deficits in a way that would be manageable, sensible and in line with good budget management, not only in a way that the average man would consider adequate but also in a way that any person with sophisticated business judgement would think was adequate.

Mr. Foulds: I rise to speak on this piece of legislation and to indicate this party's support for it. I have listened with some care to the thoughtful remarks of the previous speaker because, for all the heckling we engage in in this House, occasionally one does have to give his remarks some consideration. I thought it unfortunate, however, that his colleague the member for Brantford (Mr. Gillies) saw fit to heckle him during the course of his remarks.

Mr. Gillies: I was helping.

5:40 p.m.

Mr. Foulds: I think it was most useful that the remaining members of the Tory caucus did restrain the member for Brantford. This may be the first time on record in this House that the member for Brantford has been restrained.

Having put that aside, I obviously have some concern that government deficits in this country, particularly at the federal level, have risen. However, I do find it contradictory, if I may say so, that if one seeks the origin of the current deficit in Ontario, one can plot it back to the budgets of the late 1960s and 1970s. If one actually plots a graph of the deficits incurred that led to the accumulated deficit, one will find a most peculiar thing. One will find the largest deficits occurred under those models of fiscal restraint the Honourable Darcy McKeough, the Honourable John White, the member for Muskoka and the member for St. Andrew-St. Patrick. Surprisingly, the largest deficits occurred in the year leading up to the calling of a provincial election.

The accumulated deficit we wrestle with in this province, which is relatively modest in comparison to our overall budgetary figures and so on, accumulated in that way. That is a most surprising thing, when one examines it closely. Because we are not allowed to in this House, I would not want to attribute any political motivation to any member, but I would certainly attribute political motivation to that budgetary process and the resulting deficit with which our successors will have to deal.

The fact of the matter is that every government needs to borrow money. It would be silly to withhold that authority from this Treasurer or any Treasurer. We do borrow largely from pension plans, and I frankly think that is a particularly good use of those pension plans, provided the money is eventually repaid and those pension plans are made actuarially sound so that the individuals contributing to the pension plans are not hit with undue increases in the future or suffer any possible drain that may exist on them. For all those reasons, I support this bill.

Hon. Mr. Nixon: I appreciate the comments made by the members, both in this brief debate and the more lengthy one that took place in 1985. Members know the purpose of the bill. We are about to run out of borrowing authority, probably at the beginning of February. That it is passed now is timely, and my officials will be able to sleep more soundly tonight if it goes forward as I expect it will. I appreciate the fact the members understand the purpose of this and that any leftover borrowing authority is not cumulative, as it was some years ago.

I remember undertaking this debate some time ago, and it became apparent that our borrowing authority had been building up to the extent there was substantial authority available to the then government. That was stopped. It is interesting, some members would recall, that the public accounts committee reviewed this procedure and indicated that, rather than establishing borrowing authority for a fiscal year, it would be better if the authority from the beginning of the fiscal year to the end of September were included and that the Ontario Loan Act come under that sort of cycle so the approval for the $2.8 billion would include

authority to borrow through to September 1986. God willing, I will be back discussing this matter with the same erudite participants some time later in 1986.

Motion agreed to.

Bill ordered for third reading.

SMALL BUSINESS DEVELOPMENT CORPORATIONS AMENDMENT ACT

Hon. Mr. Nixon moved second reading of Bill 44, An Act to amend the Small Business Development Corporations Act.

Hon. Mr. Nixon: The purpose of the bill is to implement proposals that were put before the House in the budget of October 24, 1985, which are designed to improve the effectiveness of the business development corporations program. This program is generally recognized as a very effective one. It was brought in by my predecessor. I believe the member for Muskoka (Mr. F. S. Miller) was Treasurer at the time the bill was brought forward. I understand other jurisdictions, including a number of provinces, have reviewed this and adapted it to their own use. It is something of which Ontario can be proud.

The measures in this amendment are directed particularly to small business development corporations investing in northern and eastern Ontario as follows:

The minimum capital requirements for corporations investing in northern and eastern Ontario will be reduced from $100,000 to $50,000. Arm's-length provisions for investment in small business will be relaxed. Investors in these corporations will continue to remain eligible for grants or tax credits at the rate of 30 per cent of the investment, whereas for those investing in other areas tax grants or credits will be reduced to 25 per cent.

There is an oversight in the commencement section of the bill as it now reads. I intend to move an amendment to clarify that the provisions reducing the grant to 25 per cent in areas outside northern and eastern Ontario were effective on budget day. As a matter of fact, that was the intention. Applications made following budget day were based on the understanding it would be a 25 per cent grant and not a 30 per cent one.

The definition of eligible small businesses in which small business development corporations can invest will be expanded to include corporations primarily engaged in the development of computer applications or systems software programs that are for sale, lease or licensing by the small business. This change will be effected by regulation, so it is not directly spelled out in this bill.

The bill also contains certain administrative amendments. Some of these are required as a consequence of the enactment of the Business Corporations Act, 1982. For example, the bill changes a statutory reference to the Business Corporations Act, 1982, which replaced the previous act. The bill brings the definition of equity share and some other provisions in conformity with the Business Corporations Act, 1982. Other administrative amendments provide for the effective administration of the statute.

We feel this has been an effective instrument to assist small business. The justification, if any, for reducing the participation from 30 per cent to 25 per cent outside of northern and eastern Ontario has been partially to assist in the payment of the enriched programs in the north and east, and also to recognize in some smaller measure that other programs of this government and its predecessor have had an impact on the central part of the province that has been more effective than in some other areas. We can see that some large industries have been able to see their way clear to decide to locate in the central part of the province.

We felt this gradation was justifiable since it was the aim of the government, and particularly the Minister of Northern Development and Mines (Mr. Fontaine), to undertake a program that would emphasize the development of small business in those particularly important areas of the province.

5:50 p.m.

Mr. Barlow: I would like to take this opportunity to say a few words on Bill 44 as it amends the Small Business Development Corporations Act. I believe all parties are in general agreement. The Treasurer (Mr. Nixon) has mentioned this is one of the more successful programs in existence to assist the development of small business. He also gave recognition of the fact it was brought in by the member for Muskoka when he was Treasurer of this province in 1979 when it was first introduced.

It is a program that has been exceedingly well received by the business community and by the investors of the province, those who wish to assist small business, and by all the small business associations. I think it was in February 1985 that the Clarkson Gordon review was initiated by the present leader of our party, the member for St. Andrew-St. Patrick (Mr. Grossman), when he was Treasurer. He asked Clark-

son Gordon to review the entire program. They lauded it and commended its initiators.

We should also commend the new Liberal government for following up on our recommendations for continuation and expansion of the program. The recommendations were made in the throne speech of June 4, 1985. On page 20 it said, and I quote:

"Improved access to venture capital in all our regions must be a priority if economic opportunity is to be shared fairly across Ontario. In this regard, the budget will increase the regional funds of the small business development corporations program and will broaden eligibility for SBDC investments in northern Ontario."

I am glad to see that the Treasurer kept those thoughts in mind when he wrote the budget he read to us back on October 24. Not only did he assist in broadening the eligibility for northern Ontario, but of course he included eastern Ontario as well. We have no problem with that and we support that initiative.

The program was originally designed to increase the supply of equity capital to small business, thus encouraging individuals to take risks through equity investment in small business, to provide managerial advice to the small business and to encourage new business ventures in Ontario. We wanted at that time to prevent bankruptcies, create jobs and encourage regional development; and to achieve these goals the SBDC program was designed to stimulate small business development through a combination of private sector investment in eligible small businesses. The program has been well received by both the participants and the major small business organizations.

To ensure that the program was meeting the needs of business, the Clarkson Gordon report was commissioned and a report called An Evaluation of the Small Business Development Corporations Program was brought forward.

I believe our friends across the way were guided somewhat by the recommendations of that report. There is some divergence from it, though, and we will have to look at the rationale for changing, and in some cases ignoring, some of these recommendations. For instance, I wonder whether the Treasurer can answer in his summation why he chose to ignore one recommendation on page ii of the executive summary that said:

"The SBDCs have invested in small business in all regions of Ontario. However, the manufacturing sectors in northern and southwestern Ontario have received disproportionately lower amounts of SBDC investment."

It recommended southwestern Ontario as a possible area. The Treasurer and I, who both come from southwestern Ontario, might like to have a response as to why that was overlooked.

There are a few other recommendations I would like to point out. It said, "The SBDC program has successfully met its objective of providing new equity funding for the small business sector of Ontario." We all realize that and agree with it.

Another point it made is this: "The SBDC program has facilitated managerial expertise being provided to small business and, of the SBDCs that were surveyed, 70 per cent provided managerial assistance for their investee companies and over 85 per cent of the investee companies found that assistance helpful."

It goes on to say: "There is still some need for government support in equity investment in small business in Ontario. No other existing government program, either federal or Ontario, is providing significant amounts of equity funding to the small business sector served by the SBDC program."

It then concludes that part of its talk by saying, "Given the success of the SBDC program and small business needs for equity investment, we recommend that the Ontario Small Business Development Corporations programs be continued," and they are being continued.

The Clarkson Gordon report recommended, and our party concurred, that Ontario should continue to support these programs. However, Clarkson Gordon did look at and realize there was a 30 per cent tax credit allowance. The Treasurer explained to us why he cut it back to 25 per cent in all but northern and eastern Ontario; that is, to help support the program in those parts of the province.

There is concern among the eligible companies in both central and southwestern Ontario as to why they are helping to fund those companies in eastern and northern Ontario. The Treasurer should rethink and look again at that one point of cutting back on the 30 per cent. It is recognized that it is a way of helping the province and small business grow. I am not suggesting for a moment he should change the formula for eastern Ontario and northern Ontario, but I am suggesting he change it back to what it was for the balance of Ontario.

The investors who responded to the 30 per cent tax credit felt it was worth while taking a risk at

that rate. I hope they do not back off when they find it has been cut back to 25 per cent.

All in all, I commend the Treasurer on the program. If there is any other thing I would like him to think about it would be the possibility of expanding the base. I realize we are expanding it now to the computer software sector; that was part of Clarkson Gordon's recommendation. Some of the other sectors might be considered at some point.

I know that is done by regulation as opposed to legislation. Perhaps at some time the Treasurer could consider leaving the door open a crack for some of these other service organizations and sectors to which it might be of assistance, some of the service sectors that have a big investment in Ontario and provide services in other areas that are not eligible at present.

With those words and at this point, Mr. Speaker, you might like me to adjourn the debate.

Mr. Speaker: It is not necessary to adjourn the debate as the discussion will continue later. Do you wish to continue your remarks?

Mr. Barlow: I will think about it over the supper hour.

The House recessed at 5:59 p.m.

CONTENTS

Monday, January 6, 1986

Statements by the ministry

Caplan, Hon. E., Chairman of Management Board of Cabinet and Minister of Government Services:
Job evaluation plan ... 2729

Keyes, Hon. K. A., Solicitor General and Minister of Correctional Services:
Sunday trading ... 2730

Wrye, Hon. W. M., Minister of Labour:
Mandatory retirement ... 2729

Oral questions

Conway, Hon. S. G., Minister of Education:
Education funding, Mr. Allen, Mr. Davis ... 2736

Elston, Hon. M. J., Minister of Health:
Regulation of rest homes, Mr. D. S. Cooke ... 2738

Fulton, Hon. E., Minister of Transportation and Communications:
Urban Transportation Development Corp., Mr. Grossman, Mr. Foulds, Mr. Hennessy ... 2731

Kwinter, Hon. M., Minister of Consumer and Commercial Relations:
Insurance rates, Mr. Grossman ... 2731
Insurance rates, Mr. Reville, Mr. Grossman, Mr. Foulds ... 2732
Ontario Film Review Board, Mr. Runciman ... 2740

O'Neil, Hon. H. P., Minister of Industry, Trade and Technology:
Job creation, Mr. Andrewes, Mr. Morin-Strom ... 2737

Peterson, Hon. D. R., Premier and President of the Council and Minister of Intergovernmental Affairs:
Emission discharges, Mr. Laughren, Mr. Timbrell ... 2734
Food distribution, Mr. R. F. Johnston, Mr. Gillies ... 2740

Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development:
Futures program, Mr. Partington, Mr. Warner ... 2735
Post-secondary education, Mr. McFadden, Mr. Allen ... 2738

Wrye, Hon. W. M., Minister of Labour:
Plant shutdown, Mr. Mackenzie, Mr. Gillies ... 2739

Petitions

Roman Catholic secondary schools, Mr. Morin, Mr. Brandt, Mr. Villeneuve, tabled ... 2741

Government motion

Electoral districts redistribution, resolution 4, Mr. Nixon, Mr. Jackson, Mr. Kerrio, Mr. Wiseman, Mr. Cordiano, Mr. Turner, Mr. Sargent, Mr. Sterling, Mr. McGuigan, Mr. Leluk, Mr. Polsinelli, Mr. Sheppard, agreed to ... 2742

Second readings

Ontario Loan Act, Bill 43, Mr. Nixon, Mr. McFadden, Mr. Foulds, agreed to 2759
Small Business Development Corporations Amendment Act, Bill 44, Mr. Nixon, Mr. Barlow, recessed 2762

Third reading

Retail Sales Tax Amendment Act, Bill 47, Mr. Nixon, agreed to 2742

Royal assent

The Honourable the Lieutenant Governor 2759

Other business

Legislative pages, Mr. Speaker 2729
Visitor, Mr. Nixon 2730
Press report, Mr. D. S. Cooke 2730
Notice of dissatisfaction, Mr. Andrewes 2741
Answers to questions in Orders and Notices, Mr. Nixon, tabled 2742
Recess 2764

SPEAKERS IN THIS ISSUE

Allen, R. (Hamilton West NDP)
Andrewes, P. W. (Lincoln PC)
Ashe, G. L. (Durham West PC)
Barlow, W. W. (Cambridge PC)
Bradley, Hon. J. J., Minister of the Environment (St. Catharines L)
Brandt, A. S. (Sarnia PC)
Breaugh, M. J. (Oshawa NDP)
Caplan, Hon. E., Chairman of Management Board of Cabinet and Minister of Government Services (Oriole L)
Conway, Hon. S. G., Minister of Education (Renfrew North L)
Cooke, D. S. (Windsor-Riverside NDP)
Cordiano, J. (Downsview L)
Davis, W. C. (Scarborough Centre PC)
Eakins, Hon. J. F., Minister of Tourism and Recreation (Victoria-Haliburton L)
Edighoffer, Hon. H. A., Speaker (Perth L)
Elston, Hon. M. J., Minister of Health (Huron-Bruce L)
Foulds, J. F. (Port Arthur NDP)
Fulton, Hon. E., Minister of Transportation and Communications (Scarborough East L)
Gillies, P. A. (Brantford PC)
Grossman, L. S. (St. Andrew-St. Patrick PC)
Guindon, L. B. (Cornwall PC)
Hennessy, M. (Fort William PC)
Jackson, C. (Burlington South PC)
Johnston, R. F. (Scarborough West NDP)
Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy (Niagara Falls L)
Keyes, Hon. K. A., Solicitor General and Minister of Correctional Services (Kingston and the Islands L)
Kwinter, Hon. M., Minister of Consumer and Commercial Relations (Wilson Heights L)
Lane, J. G. (Algoma-Manitoulin PC)
Laughren, F. (Nickel Belt NDP)
Leluk, N. G. (York West PC)
Mancini, R. (Essex South L)
McFadden, D. J. (Eglinton PC)

McGuigan, J. F. (Kent-Elgin L)
Morin, G. E., Deputy Chairman and Acting Speaker (Carleton East L)
Morin-Strom, K. (Sault Ste. Marie NDP)
Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue (Brant-Oxford-Norfolk L)
O'Neil, Hon. H. P., Minister of Industry, Trade and Technology (Quinte L)
Partington, P. (Brock PC)
Peterson, Hon. D. R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)
Polsinelli, C. (Yorkview L)
Reville, D. (Riverdale NDP)
Rowe, W. E. (Simcoe Centre PC)
Runciman, R. W. (Leeds PC)
Ruprecht, Hon. T., Minister without Portfolio (Parkdale L)
Sargent, E. C. (Grey-Bruce L)
Sheppard, H. N. (Northumberland PC)
Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development (York North L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)
Turner, J. M. (Peterborough PC)
Villeneuve, N. (Stormont, Dundas and Glengarry PC)
Warner, D. W. (Scarborough-Ellesmere NDP)
Wiseman, D. J. (Lanark PC)
Wrye, W. M. (Windsor-Sandwich L)

Ontario

No. 79

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CONTENTS

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, January 6, 1986

The House resumed at 8 p.m.

SMALL BUSINESS DEVELOPMENT CORPORATIONS AMENDMENT ACT (continued)

Resuming the debate on the motion for second reading of Bill 44, An Act to amend the Small Business Development Corporations Act.

Mr. Speaker: Is there any other member who wishes to participate in the debate?

Mr. Foulds: Yes, Mr. Speaker.

Hon. Mr. Kerrio: Dispense.

Hon. Mr. Nixon: Be calm.

Mr. Foulds: Does the minister see this document? It is the accord. I am tearing it up. He needled me at the wrong time. The Treasurer (Mr. Nixon) thought he was going to have an easy passage of this bill, but no, no.

I rise very briefly to speak in support of Bill 44. In normal terms, this is what some spokesmen for my party, including myself, would call a tax giveaway. It is a tax expenditure and it is one I think we should closely examine and see exactly what benefits we get from it.

I am supporting this bill for two reasons at the present time. First, there is a small reduction of a tax expenditure in general terms, while maintaining the principle which will provide an incentive for the development of small businesses. The second reason I support this, and my party is supporting it, is that it gives an added incentive and more lenient conditions to the development of small business in eastern and northern Ontario. We think that is crucial and extremely important, because one of the keys to diversification of enterprise, job creation and industry in northern and eastern Ontario will be through small businesses. I do not think there is any doubt about that.

I have a caveat, and we will forgive the Treasurer this time, but I note in passing it appears the only two initiatives in developing industrial infrastructure in northern and eastern Ontario that have been taken are the northern Ontario development fund introduced by the Minister of Northern Development and Mines (Mr. Fontaine)–who was sitting on this side of the House in our caucus just before six o'clock. He was talking to his good friend the member for Lake Nipigon (Mr. Pouliot). I am not sure that is indicative of developments, but I certainly hope so.

Seriously, though, the only two initiatives taken were the northern Ontario development fund and this one. If we are going to tackle the economic development of northern and eastern Ontario, we have to look at some more fundamental and additional initiatives. These are two that in one way or another are simply continuances of the previous administration's inadequate programs. Therefore, while giving approval of this, I would like to indicate that we in this party would certainly see small business as one very important aspect, but only one aspect, of what we hope will be the increasing industrialization of northern Ontario and job creation.

With regard to small business itself, I am indeed glad to see it is getting this kind of break. However, I would like to see a more thorough analysis presented in the next budget about what that costs us in lost revenues and what benefits we get from it. From our point of view, that is simply good businesslike procedure for government, for tax expenditures and for sound business and fiscal management for the taxpayers of the province.

Mr. Gregory: My remarks are going to be short as usual. I want to begin by paying tribute to the Treasurer for continuing an excellent program, one that was designed by the former Premier of Ontario, the member for Muskoka (Mr. F. S. Miller). The program was a great success right from the word "go." It was such a success it was copied by other provinces. In my short sojourn as Minister of Revenue, I entertained delegations from other provinces in Canada that were hoping to adopt the same type of program. I do not know whether they did or not.

Hon. Mr. Nixon: Yes, they did.

Mr. Gregory: Did they? Saskatchewan and Alberta?

Hon. Mr. Nixon: Everybody did.

Mr. Gregory: I think even the Treasurer, much as he would be prone not to agree, will agree that it was a very good program initiated by a Conservative government. Notwithstanding

the tax giveaway charge by my friends on the left, it is nice to see that the Treasurer has the foresight to continue a program that has been of such great benefit to small business in Ontario.

Mr. Foulds: Do not slander me by calling me your friend.

Mr. Gregory: My goodness, did I say that? Did I say the member was my friend? I had better re-examine my notes. He is perfectly right. I am no friend. I am certainly a friend of the Treasurer, or at least I like to think I am. I always have been.

Much as the Treasurer has made such a hash of the overall budget, this is one area in which he has had the good sense to continue a very successful program. Having said that, I have trouble with some of his logic in making the small changes he has made.

The bill, in effect, is cosmetic. He wants to give the impression he is giving more to the north and the east than he is to anywhere else. In fact, what he did was take something away from the south. He did not take anything away from the north. There is no giveaway there. He has cut down on the promised contribution, and at the same time is attempting to take credit for being very benevolent to the north and the east.

Mr. Villeneuve: Not to the east; he forgot about the east.

Mr. Gregory: He forgot about the east.

Mr. Villeneuve: He does not know the east exists.

Mr. Gregory: He has never been in the east.

Hon. Mr. Kerrio: We gave more to the east by mistake than they ever gave on purpose.

Mr. Gregory: The member for the Niagara River is speaking now.

Hon. Mr. Kerrio: Like or lump it, you have to drink it.

Mr. Gregory: No, I think he has to.

Mr. Speaker: Order. The member for Mississauga East on Bill 44, please.

Mr. Gregory: I thought I was, Mr. Speaker. I hope you can exercise greater control over the members opposite. They keep heckling and interrupting me. They should be listening because I have something important to say. I cannot remember at the moment what it is, but there must be something.

The government seems to be the beneficiary of an improved economy, not through its own doing but because of a very competent previous administration. The government seems to be reaping the benefits of this new-found wealth in Ontario. I should have thought that under the present circumstances the Treasurer might have considered encouraging the beginning of more new businesses. Instead, he has not adjusted the budget at all but is only giving less to each individual, hoping thereby to encourage more new businesses into the fold. I do not think that is going to work.

8:10 p.m.

Most of the people who invested money in small business development corporations have done so for two reasons. They wanted an opportunity to get in on the ground floor of a small business; and second, they liked the 30 per cent bonus they got. It made a good opportunity for them to get in while not sinking the whole bankroll.

When one takes something away, even though one does not intend to do this, one does tend to discourage certain people from investing. By giving, or retaining the same 30 per cent in the north, the government is not going to encourage that many more businesses than are considering investing in a small business in the south. I do not think they are suddenly going to invest in the north, particularly when one considers that all of the budget that was assigned to small business development corporations in the south was used up, and has been continually every year.

The only part of the budget that has not been used has been that which was specifically assigned to the north and to the east. I do not fault anything other than the fact there were not the business opportunities there that there were in the south.

I do not think we should be in the business of trying to penalize investors in the south simply because they are not interested in investing in the north. What I really am saying to the Treasurer is that he is doing a good thing by continuing with a very good program which has proved very successful, notwithstanding some of the charges we used to have thrown against us when we were on the government side and his party was in the opposition about mismanagement, all those great things such as the great lodge up north on which we were supposed to have taken such a shellacking. We got all our money out of it without any trouble.

Hon. Mr. Kerrio: Are you talking about Minaki?

Mr. Gregory: No, not Minaki. That is not a small business. This was lake something or other, or whatever. At any rate, it turned out to be very successful move from a provincial standpoint and we lost no money. It is a very good, a very successful program.

Interjections.

Mr. Gregory: I will wait.

Mr. Foulds: How long?

Mr. Gregory: Until the member stops talking, which will probably be a very long time.

However, to come back to Bill 44, notwithstanding that one small comment that I think the government is making a very bad mistake in reducing the 30 per cent to 25 per cent, I do pay credit to the Treasurer for continuing on a course that was preset for this government by a great Conservative government of a few years ago. I hope he will bear that in mind in his future dealings. Perhaps he should take a very close look at some of the great programs—most of them are great—that were brought in by the Conservative government. Perhaps if he thinks of them, this government might even stay out of trouble for a little longer.

Mr. Rowe: I am very pleased to rise this evening in the House and participate in this debate with respect to Bill 44, An Act to amend the Small Business Development Corporations Act, which is essentially a good bill. It should be; it was initiated by the previous Progressive Conservative government.

Having said this, I will take this opportunity to express some words of caution to the government of the day. With this bill it is dealing with a way of life in Ontario, a major source of job creation and, therefore, a major employer in the province.

There are so many facets to small business that it is essential we nurture it. We can do this by paying attention to the funding for small business. In this regard our party, when in government, was working on the organization of a pool for funding.

Mr. Foulds: Are there tear drops on that page?

Mr. Rowe: I am having enough trouble hanging on to this page, never mind getting any tear drops on it.

We had also set up funding for the northern and eastern Ontario regions. These areas still need this extra attention. Again, I compliment the government on its use of small business development banks for the funding of small business.

It is hard to criticize such a motherhood issue as small business legislation. Our party takes so much stock in small business and the free enterprise system in general that just one year ago the leader of our party, the member for St. Andrew-St. Patrick (Mr. Grossman), commissioned a review of small business legislation. We had also set up a hotline for small businessmen across the province. I am glad to see this government is keeping this important aspect of communication open to small businessmen and businesswomen in this province.

I hope the government will keep this line of communication for the purpose for which it was intended, namely, to cut through the red tape of bureaucracy. Small businessmen are too important to become entangled in such red tape and discouraged.

It is well that we respect the social needs of small business in the northern and eastern regions of this province, but we must not lose sight of the fact there are pockets of very tough sledding for all small businesses in otherwise prosperous sectors of the province.

These enterprises should not be overlooked, regardless of their geography. I want to impress on this government the importance of the small business community. We talk about job creation, and when we relate this to small business we are talking about the creation of real jobs. For some major firms job creation is often merely a short-term venture, but for small businesses it is genuine job creation.

Here again, a note of caution: when two small business ventures are competing we must make certain we do not give one an unfair advantage over the other through government programs. This could force one of the ventures into a state of bankruptcy.

To go back to job creation, for big business it sometimes amounts to a job shift as opposed to the creation of one. Two aspects of small business to which I would urge this government to pay particular attention in this bill are businesses dealing with computer software and exports.

Computer software is the industry of the future and one that should come in for special attention if we are to compete in today's market. We should also stress the importance of export trade for small business. The minister may not be aware that only 20 per cent of the businesses in Ontario really export any trade; the other 80 per cent do not. The other 80 per cent I am referring to are small businesses.

Why do these small businesses not export? I could suggest two reasons for this failing on the part of small business. First, many of the small operators are not aware of the potential for export; second, they are just not encouraged to export.

This government must be forewarned not to ignore the needs of small business in exporting. We are dealing with a market in Canada of 25

million people. If this government can be pressed into looking at the big picture–the world market–then we can expect small business to react to that encouragement.

To be specific, we contend that to import is to lose jobs. By the same token, to export is to create jobs. The small business of today, if encouraged properly, will become the big business of tomorrow. I can give a specific example of this type of small enterprise growing big. Magna International Inc. began in a very humble way, but today Frank Stronach, the man who started this business, is a major employer in this province with a very significant corporation.

8:20 p.m.

I compliment the minister on the relaxation of the arm's-length rules of ownership for northern and eastern small business development corporations. Under the current Small Business Development Corporations Act, an SBDC is not allowed to invest in a small business if any shares of the small business are held by a major shareholder of the SBDC.

Bill 44 would relax the rules regarding the special cases of northern and eastern SBDCs. Where a shareholder in an SBDC has 10 or more shares he could not invest in additional shares. Under the relaxation proposed in section 8 of Bill 44, a single shareholder could maintain a 20 per cent interest in an SBDC in northern and eastern Ontario.

We appreciate as well the portion of Bill 44 that allows the SBDC to invest in small businesses that have business dealings with shareholders of the SBDC as long as the SBDC has no fewer than five shareholders, none of whom owns more than 20 per cent of the SBDC shares. Again, this applies only to northern and eastern Ontario.

I mentioned earlier my interest in the extension of eligibility. Computer software and applications development may be prescribed by regulations. Eligible business activity in this category will include application and software development that are ready for use without significant modification for sale and lease or licensing by small business concerns, provided employees of the small business carry out substantially all the phases of research, programming and testing.

As a small businessman in a riding with literally hundreds of small business ventures, I can appreciate more than many the impact of small business on the community in the form of jobs and on the tax base. All aspects of life in a community such as Simcoe Centre depend for the most part on small business.

In summary, I remind the minister not to think small but to think big when it comes to small business.

Hon. Mr. Nixon: I was listening very carefully and I appreciate the remarks made by the honourable members.

I want to indicate to the former Minister of Revenue (Mr. Gregory), who does not happen to be here at the moment–he may be having a coffee in the back room–that I am quite sensitive to his point that by reducing the involvement from 30 per cent to 25 per cent in the central part of the province it would appear we are diluting the effect to a point where it may be less effective than we would all wish. I want to indicate that we are not cutting back on the allocation of funds; as a matter of fact, we are enriching it by $5 million.

He made the point himself that in previous years the central part of the province had run out of the funds allocated because the program was so popular. We thought it would be useful to enrich the overall fund by, in this instance, $5 million; and to reduce it to 25 per cent from 30 per cent, giving a wider array of small businesses a chance to participate instead of putting them over to the following year.

Specifically, the north and east–by the way, the east is specifically included in the legislation –are going to go up to $9 million from $7.5 million; new enterprises will go to $6 million from $5 million; and the general fund, which is available mostly to the central part of the province, is going to go to $15 million from $12.5 million. Therefore, in a sense, the reduction of the percentage to 25 from 30 does support a thrust in the northern and eastern parts of the province. However, it in no way is reduced in absolute dollars; in fact, it is enriched as much as the other two.

Honourable members will know that in southwestern Ontario $43.1 million is already invested on behalf of taxpayers. That is almost 16 per cent of the total investment to date and almost as much as in the north and east combined. That is under the policy of the previous government, which, as people on all sides have mentioned, was a good initiative. However, we felt that by changing the thrust of the bill in this way we would meet more modern needs and make the money spin out, go further in the central part of the province and at the same time give a new thrust and new initiative in the north and in the east.

I do appreciate the fact that the bill has support in principle on all sides. I have already indicated I would ask that it go to committee of the whole for one amendment from myself to correct an

oversight in the original drafting. There may be other comments at that time. I am very glad to accept and acknowledge the comments made by the members, and I am delighted they are going to support the bill in principle.

Motion agreed to.

Bill ordered for committee of the whole House.

House in committee of the whole.

SMALL BUSINESS DEVELOPMENT CORPORATIONS AMENDMENT ACT

Consideration of Bill 44, An Act to amend the Small Business Development Corporations Act.

Sections 1 to 14, inclusive, agreed to.

On section 15:

The Deputy Chairman: Mr. Nixon moves that section 15 be struck out and the following substituted therefor:

"15(1) This act, except sections 6, 11 and 12, comes into force on the day following the day it receives royal assent.

"(2) Sections 6, 11 and 12 shall be deemed to have come into force on October 24, 1985."

Hon. Mr. Nixon: I believe copies of the amendment were distributed last year when I was under the misapprehension the bill was going to sail through along with the other revenue bills; so they might have been misplaced. I am glad to know the Chairman's copy was available to him.

I mentioned, I guess in the comments made at the end of second reading, that I wanted to introduce this amendment since we felt the change in the proportions to 25 per cent from 30 per cent should be brought into effect at the time of the announcement in the budget. This would remove the uncertainty that business persons would have when dealing with the government in this regard.

I have already explained to the best of my ability that although we are reducing the participation of the government in small business development corporations to 25 per cent from 30 per cent in the central part of the province, we are adding $5 million to the overall funding, including, I believe, $2.5 million to the special allotment for the central part of the province.

The Chairman is already aware that we are introducing considerably more flexibility into approvals in the north and the east, and there are more funds available in those two parts of the province as well. We feel this will make the program available to a larger number of people interested in small business development. We sincerely hope that is the case since, along with the other members, we feel the program is a good one.

Mr. Foulds: I have a question of the Treasurer. I do not recall his giving us a figure of the total allotment for the program.

Hon. Mr. Nixon: It is $30 million.

Mr. Foulds: What portion of that is assigned to northern and eastern Ontario?

Hon. Mr. Nixon: North and east will get $9 million, up from $7.5 million.

Mr. Foulds: Is that combined?

Hon. Mr. Nixon: Yes.

Mr. Guindon: Was it not $7.5 million for eastern Ontario alone before?

Hon. Mr. Nixon: No.

Mr. Guindon: Was there a limit on eastern Ontario before?

Hon. Mr. Nixon: I think the member for Mississauga East (Mr. Gregory), when he spoke on second reading, indicated that the allocation for the central part of the province was used up each year but that the allocation for the northern and eastern parts was never used totally.

8:30 p.m.

Mr. Guindon: I have one more question. If there is not enough in the fund for eastern Ontario, will the Treasurer not put a cap on it?

Hon. Mr. Nixon: It is necessary for us to have some budgetary allocations. Occasionally, government programs are oversubscribed. The member may recall times past when the minister had to inform applicants they would have to wait for the next fiscal year.

We are hoping the allocation will be sufficient. It is up by $1.5 million for northern and eastern Ontario, and in the past it has never been fully subscribed. However, we are reducing the requirement of the business involvement to $50,000 from $100,000, which should make it a little more attractive to smaller groups and communities. We are also allowing a greater degree of flexibility in non-arm's-length transactions. So it will give a better opportunity for smaller groups in communities less well endowed with capital pools to participate.

However, I am informed the funds can be shifted around. If it turned out that one part of the province was oversubscribed and another part was not, then towards the end the allocations could be shifted from one area to another so we would utilize as closely as possible all the funds committed.

Mr. Guindon: I want to make the minister aware, if he is not already aware, that in our part

of eastern Ontario, which is past Kingston, when they take their data and put them all together, they include the cities of Ottawa and Kingston for unemployment and for other initiatives. I would like him to keep in mind that in the far east, as we call it back home, we sometimes need special consideration.

Motion agreed to.

Section 15, as amended, agreed to.

Section 16 agreed to.

Bill, as amended, ordered to be reported.

On motion by Hon. Mr. Nixon, the committee of the whole House reported one bill with a certain amendment.

ONTARIO DRUG BENEFIT ACT (continued)

Resuming the adjourned debate on the motion for second reading of Bill 54, An Act to Authorize and Regulate the Payment by the Minister to Specified Persons on Behalf of Specified Classes of Persons for the Dispensing of Specified Drugs.

The Deputy Speaker: The member for Peterborough (Mr. Turner).

Mr. D. S. Cooke: On a point of order, Mr. Speaker: I think it is our turn in the rotation.

The Deputy Speaker: I understand that the member for Cochrane South (Mr. Pope) adjourned the debate on December 5. It was my understanding a member of his party would then lead off.

Mr. D. S. Cooke: No; that is not how the House works, Mr. Speaker. I will not be long; so the member for Peterborough will be able to speak this evening. I am not going to not speak for two and a half hours on this bill.

I am not joining the debate on Bill 54 to point any blame on this issue, which has consumed the time of many pharmacists in our province over the past number of months since this issue was first dealt with by the Minister of Health (Mr. Elston). I am not joining this debate to try to say that any group of individuals are bad people or are the cause of the problem.

However, I am going to say on behalf of my caucus that there is a problem with the Ontario drug benefit program. We know the former government was aware of that problem and chose not to deal with it. This government has chosen to deal with it, and I congratulate the Minister of Health for doing what needed to be done to have a debate and it is to be hoped, once this legislation is passed, to save the taxpayers some money and bring some sanity to the Ontario drug benefit program.

Having listened to the member for Cochrane South, who spoke on this bill for two hours and 15 minutes, I gather that his party does not believe there is anything wrong with the current system. He must think the current system is just fine, where a minimum of $15 million a year is spent under the Ontario drug benefit program that need not be spent. The Tories must also believe the price spread is not a problem, even though the Ontario Pharmacists' Association agrees it is a problem.

The Tories obviously support the idea that pharmacists should be able to opt out of the Ontario drug benefit program, since that was one of the concerns the member for Cochrane South outlined in his debate. They must also feel that dispensing fees should be tied to the formulary, contrary to the Gordon commission recommendation that the dispensing fee should not be related to the setting of the drug formulary prices.

This bill attempts to deal with a specific problem that has been debated and commented upon but not dealt with for years. When I was having the Ontario drug benefit program explained to me several times by our research department and in committee with other members of the Legislature, I had to go over it several times, specifically regarding the establishment of the drug formulary prices. I could not comprehend that the government would publish a drug formulary and submit prices to be paid that bore no relationship whatsoever to the acquisition costs to the pharmacists in this province. It did not make any sense to me whatsoever.

The price spread has been and is a real financial problem for the taxpayers. I might point out that had we dealt with this bill before the Legislature adjourned for Christmas the consumers and taxpayers of this province would have saved approximately $4 million. However, thanks to the Conservative Party of Ontario, about $4 million has been wasted because we did not deal with this bill before Christmas.

Anyone who looks at the Ontario drug benefit program will realize there are problems, and in some cases there is a real ripoff of the taxpayers and consumers of this province. Even the former Minister of Health, Mr. Norton, tried to come to grips with this problem. He regulated and took action on 30 of the most commonly prescribed drugs. But what did he do with the cost saving? He gave it all back in the form of much higher dispensing fees. I must say, though, contrary to what his party has said since this bill was

introduced, he offered the Minister of Health the best of luck and said he hoped this minister would be able to deal with the problem he obviously did not deal with. When the current minister tried to take action to regulate costs his attempts were stopped by one of the drug companies.

I am not going to say this bill is universally acceptable to our caucus. There are some areas I would like to have some debate on in committee. I have some concerns about the 30-day rule being eliminated universally, not on the basis that there is going to be a decrease in revenue for pharmacists but because I worry about some prescriptions, particularly such as those for Valium, perhaps being given out on a six-month basis. I want to be assured that elimination of the 30-day rule will not put anyone's health care in jeopardy in this province.

8:40 p.m.

I do not think a 30-day rule should apply to maintenance drugs. I think most people in this province who are on maintenance drugs know very well how to take those drugs. Some people have been on them for a long time, and there is no reason to apply a 30-day rule.

I also want to look at whether there can be some amendment to the legislation to ensure there is an ultimate solution to the negotiations between the Ontario Pharmacists' Association and the government, so that if the government or the OPA does not negotiate in good faith there is the possibility of a third party coming in to rule on the settlement. Whether it be through arbitration or whatever the solution is, I would like to know the merits and the problems of a third party coming in to solve dispensing fee disputes.

I would also like to look at whether the OPA's suggestion of lowest available price is a better solution than the one the government is suggesting. From the way it has been explained to me, I have some problems with the OPA's suggestion but I would like to hear its merits and problems.

I believe very strongly that there have to be guarantees and protection for communities that have only one independent pharmacist. Anyone who has studied this bill will understand that delay in acting on it is hurting the people the Conservatives think they are protecting. Who does it hurt when there has been no amendment to the drug formulary? It hurts the small independent pharmacist who has had no amendment to the drug formulary. As to the drugs that are now not covered under the formulary but are going to be added, who does that hurt? It hurts the independent pharmacist, but it also hurts the consumer, the individual who is on welfare or the older people in this province who now do not have those drugs covered under the Ontario drug benefit program.

The Conservatives can stand in this Legislature and say they are going to defend the doctors and the pharmacists. I am here to say on behalf of my party that it is about time special interest groups are not protected and systems are developed and legislation is passed to bring about fairness. Fairness is what we are interested in.

Mr. Villeneuve: Join a union.

The Deputy Speaker: Order.

Mr. D. S. Cooke: I will tell my friend, I do not intend to go to committee and participate in totally unlimited, unrestricted hearings on these bills. I want action on these bills. I want to have fair and reasonably open public hearings on Bills 54 and 55. That is what we have done in the past with many pieces of legislation. If we have totally unrestricted hearings on every piece of legislation, what we are saying with this bill is that we can be held up in committee literally for months if the OPA wants to hold up the legislation.

That is exactly what could happen. If the Tories want that to happen, I guess they can force it to happen, but it will be the taxpayers and consumers who are hurt. I will be glad to go out and tell my constituents exactly what these people have been doing on Bills 54 and 55.

Mr. Turner: You do not know what you are talking about.

Mr. Foulds: They do not know what they are doing.

Mr. D. S. Cooke: I am not sure they know what they are doing. Their Health critic was so committed to this before Christmas, but he is not here tonight; however, they have deputy critics.

Over the past number of weeks and months that these bills have been debated publicly, a case has been made that individual pharmacists have been much fairer with the members of the Legislature than the OPA has been. I have read some of the advertisements that have been sponsored in the newspapers by the Ontario Pharmacists' Association. They are what can only be described as a disgrace and a distortion of what the government is attempting to accomplish in these pieces of legislation.

I have had some constituents who have been genuinely concerned and frightened by what they have been told. They have been told that if these bills pass, in a city the size of Windsor they are going to have to travel from one end of the city to

the other if they are on ODB. If that is not a distortion of what Bills 54 and 55 are doing I do not know what is. If we are to have a fair debate on these two bills the proper way to do it is to do an analysis of the bills in committee. We support the principle of these bills. We want reasonable public hearings. There will be amendments that we will support. There might even be some amendments that we propose in committee; but we are not going to hold up these bills, we think the bills are overdue.

It is too bad the previous government did not act. I hope the Conservative caucus has come to its senses over the Christmas holidays so we can get on with passing these bills tonight and get on with the proper public hearings they deserve.

Mr. Turner: I would like to rise to speak about Bill 54 and also to correct, if I may, some of the misconceptions held by those people who sit on my left, and rightly so. I want to make it very clear that neither I nor my party, including my leader, stands in favour of any special interest group. I do not know where the member for Windsor-Riverside (Mr. D. S. Cooke) is getting his information, but I would like to suggest he is totally erroneous in some of the statements he has made.

I would like to address some problems which seem to arise out of the bill in the minds of my constituents and the constituents of many others in this House, including some who sit on the opposite side. As the minister knows, I have received many letters and petitions. With the exception of the ones I have received today, I have copied every letter and petition I have received and made the minister aware of the problems that seem to be arising in the minds of the pharmacists and the public with regard to this bill.

Time and time again–and I know the minister has denied this so I do not want to cast aspersions in any way, shape or form–people continue to tell me, as late as today, that the minister has refused to sit down and talk with them. I know he is going to deny that and I can feel some sympathy for him, but that is what I am being told and it is the perception of the public.

Mr. Polsinelli: Do you believe everything you hear?

Mr. Turner: Yes, I do, when I hear it from such large numbers of people and from such a wide variety of geographic locations in this province.

Ms. E. J. Smith: Who is giving them that perception? The OPA?

Mr. Turner: Perhaps, I am not sure, but it does bother me. I am not going to be vindictive or overly partisan, but I am speaking in a sense of fairness. I am speaking in a sense of fairness because I do not think there is any great secret about it: I do have respect for the minister and what he is trying to do. There is no doubt there are problems and these problems have to be addressed, but I am not sure that in addressing them the government has taken the best approach. I keep hearing remarks–

Mr. Foulds: What is the best approach?

Mr. Turner: I do not know. I think that is what we are here to determine.

Mr. Foulds: Then make some suggestions.

Mr. Turner: I will. If the member for Port Arthur (Mr. Foulds) will keep quiet for a moment, I will continue. However, it is nice to have him participate.

I keep hearing remarks such as, "Why is the minister, or why is the government, or why is the ministry, taking a sledgehammer approach to killing a fly?" They–

Hon. Mr. Elston: It is not a fly.

Mr. Turner: I am not trying to underrate the importance–

Mr. Haggerty: Your government did. You have done nothing over there.

Mr. Turner: Just a minute–

The Deputy Speaker: Order.

8:50 p.m.

Mr. Turner: I am not trying to underestimate the importance of the bill or the problem the bill is trying to address. All I am saying is that I have had many hundreds–I am not sure of the exact number–of letters from people in this province. I have met with independent pharmacists who own their own businesses. As a matter of fact, some of them have made up financial statements for me to show the detrimental effect this bill will have on their operations.

That is what people are concerned about. It is what people are literally afraid of. They are afraid, especially in the small pharmacies, the small towns where they have only one pharmacist or one store, and that pharmacist and his family, usually his wife, put in 10, 12, 14 hours a day to serve the public. They are not complaining about that, but they are complaining about the approach of the ministry and the government in producing this legislation to solve a problem.

I have had letters, as the minister is well aware–

Hon. Mr. Elston: I hope the member is not going to read as many as the member for Cochrane South did.

Mr. Turner: Why not? No, I will not do that. I am not sure my voice would hold out.

Hon. Mr. Elston: The member is a much better speaker than the member for Cochrane South.

Mr. Turner: Not really.

Mr. Laughren: Would the member step up the pace a bit?

Mr. Turner: No, I tend to–

Mr. Foulds: Drone.

Mr. Turner: Yes. Who said that?

Here is a letter written by a senior citizen who puts her point across well. It is dated December 10 and is addressed to me. It says:

"I am addressing...and begging you to speak out against Bills 54 and 55 regarding pharmacies. I realize that the motivation of the government is good. They are trying to lower the deficit by cutting the fat. But, in my opinion, it is another piece of government intervention that we do not need.

"I have interviewed several pharmacists around town and they all point out that services to the public would be drastically reduced by these bills.

"If the druggist has to stop and give six different prices to each customer and wait while he or she hems and haws, some other customer is waiting, so service is delayed. Delays in services would be detrimental."

Hon. Mr. Elston: She does not want to know about prices.

Mr. Turner: We are coming to that. She points out:

"There will be two prices for drugs.... It is something like a teeter-totter. If the prices of senior citizens' drugs go down, it only makes sense that the prices for younger people go up, and while I as a senior citizen appreciate the lower price, I'm not happy that my daughters and sons-in-law will have to pay a much higher price.

"We may order a drug on Monday and be lucky if we get it on Thursday, and with the possibility of less use of computers, since their use is costly and of necessity may have to be curtailed, the druggist tells me that you may be lucky to even get your drug by the following Thursday....

"The pharmacist will have to cut back on staff, which means an added cutback on services, with fewer people to do the work.

"We wish to point out that we value highly the services we now get from our pharmacists and we earnestly request that they not be tampered with in any way."

That is a letter written by a senior citizen who was quite concerned about the services she and others may expect to–

Mr. Philip: It was much better written than read.

Mr. Turner: Perhaps, but it is the writing with which I am having a little difficulty.

I have another letter, written on a small piece of paper, from the village of Lakefield where there are two pharmacies. This letter says:

"Our small pharmacy is of more advantage to us than the larger one. They have time to listen, time to advise and time to help us, whereas the larger one is the same as some larger stores: they have no time to help us in various ways. Please leave the pharmacies as they are. Enough has been changed for now."

There is a general thread of uncertainty and apprehension that is coming to the surface in all of these letters. This is another letter from the village of Lakefield and this gentleman refers to an advertisement in the Globe and Mail, inserted by the Ontario Pharmacists' Association concerning Bill 54 and Bill 55.

"I do not want to see my family's drug requirements made available to any government bureaucrat or anyone else. I pay for the drugs myself and it is of no concern to the government what drugs I have so long as they are obtained legally. Confidentiality is my right and I demand that right. Governments in Ontario have successfully ruined the rental market with rent control and have more than a head start in messing up on the medical system provided by the doctors and hospitals of Ontario. Now it is doing its best to complete the job.

"John, do not let this happen." This is a personal appeal. "It is difficult enough for people to escape the arms of government at the best of times, let alone making a whole new bureaucracy to look after the druggists. I believe also that in Bills 54 and 55 there is an item for a $50,000 fine for incorrect pricing of drugs. No other business, government or politician would work with that spectre hanging over one's head. Why would the government expect a druggist to work that way? Please ask the Minister of Health to reconsider. Let market forces decide how much drugs should cost. Private enterprise, not government, is what will keep the province going."

Hon. Mr. Elston: This is a government program.

Mr. Turner: There is no doubt about that.

This is a letter from a pharmacist:

"I am writing about a matter that superficially would seem to be of minimal concern to me. It is my understanding that on November 7 the Minister of Health introduced two bills into the Legislature that would have a serious impact on retail pharmacies. It is my understanding from talking to pharmacists that these bills, in essence, would amount to a complete breakdown in their present computer drug monitoring programs and would have a very deleterious effect on their ability to dispense drugs efficiently.

"Although it is of no economic concern to physicians as to what restrictive steps are taken against pharmacies, it is certainly very much in the interest of physicians, patients and all involved in the health care scheme that dispensation of high-quality drugs in a manner convenient and acceptable to the patient be available.

"From my communications with the pharmacists, there is a great question as to how their present quality could be continued if these bills are passed. I am writing in hopes that you will communicate seriously with the pharmacists before supporting these measures. From my understanding of the situation, the consequences could be disastrous."

I mistakenly said that was from a pharmacist. Actually, it is from a physician who has expressed personal concern to me, verbally as well as in the letter, and there is great concern within some parts of the medical community as to the intent and the results of this bill.

9 p.m.

It would seem that a lot of people within the pharmaceutical profession have taken exception to the fact that the announcement was made via the press, rather than the government going to the people involved to discuss the problem.

Again, I am repeating information that has been given to me. I know what the minister has done. From what I have read in the media, certain of the print media have denied that. However, this charge keeps coming forward over and over again.

All they are asking is an opportunity to meet the minister and representatives of the government and the Legislature in order to make known their views, to make changes and perhaps to suggest amendments to the present bill. They say this opportunity has been denied them so far.

I would like to suggest that the government, and the minister through his influence with the government House leader, give very serious consideration to referring this bill to a committee where there can be open discussion, not reasonably open discussion but open discussion. It is not going to take an interminable length of time to do this.

Mr. Mancini: Where has the member been? We have already done that.

Mr. Turner: No, the government has not, with all respect.

However, to say this legislation is being delayed through our efforts is absolute nonsense. We are interested in getting this bill through as quickly as anybody else, but we do have a sense of fairness. As I said before, we want to ask the government to give consideration to referring this legislation to a committee for full public participation. There is nothing wrong with that, and it is not going to take a long time.

The pharmacists themselves are in agreement that changes have to be made. There is no doubt about that. We are not arguing that the pharmacists, the public or anybody else has all the answers. We are not arguing that the bill is completely unacceptable. We have never said that, and even today we do not. All we are saying is that the bill should go to committee for open discussion and public participation.

Mr. Laughren: That has already been agreed to.

Mr. Turner: No, it has not.

Mr. Laughren: It has so.

Mr. Turner: With all respect, I think the member had better take a look at what has been agreed to.

Mr. Laughren: Stand up and tell them that.

Mr. Turner: I did.

Interjections.

The Deputy Speaker: Order. The member for Peterborough will disregard the comments from his left.

Mr. Turner: What comments were those? I was not aware of them, Mr. Speaker.

Mr. Wildman: That is the problem.

Mr. Turner: Some of the problems that have been identified, and I have mentioned them already, are the negotiation and consultation process, or perhaps more correctly, from what I have been told, the lack of consultation.

There is very strong feeling within the profession that pharmacists are being discriminated against. They say there has been unilateral action by the government against one professional group. They say professional judgement is being negated, taken away and is being replaced by bureaucratic control. Again, that is the

information I have been given. Under the terms of this legislation, they have all been opted in whether they want to be or not.

As I repeated earlier, the pharmacists realize there are problems that have to be dealt with. They are willing to sit down and negotiate, if indeed there is any negotiation, and come up with a reasonable piece of legislation that will work to everybody's advantage. They are particularly concerned about the appointment of inspectors who have the right to walk into their individual businesses and literally take a look at any of their private records and photocopy anything that may be relevant. They have the power to delegate this authority to anyone else.

The list of concerns goes on. I think they are important enough that we should give serious consideration to what is going on. It is perceived by a lot of people in the profession as an attack against them. They see it as an attack on them as small business people as well as professional people. It is rather interesting that we were speaking about the small business bill just prior to this.

Interjections.

Mr. Turner: I point out again, Mr. Speaker, that there is some levity going on behind me, for which I will not apologize.

Mr. Pierce: Before you.

Mr. Turner: Yes, and I appreciate it very much. Who was it?

The ones who are primarily concerned are the privately owned smaller pharmacies in the smaller communities. The minister is as much aware of those pharmacies as I am.

Hon. Mr. Elston: Despite what the member has been told.

Mr. Turner: I did not hear the minister.

They see the potential for harm, destroying their businesses. I have had letters from many privately owned pharmacies that operate on a smaller scale in smaller communities. They have told me they have two choices. One, they will go bankrupt if they have to live up to the terms of the legislation; two, they will have no choice but to close their businesses and seek employment elsewhere, working for somebody else.

They also draw attention to the safety factor and express some strong concerns in the matter. I have to agree with them about this because we are talking about larger quantities and longer-term prescriptions being filled.

Hon. Mr. Elston: Prescriptions, by the way, that are filled out by physicians on the basis of their professional skill.

Mr. Turner: Okay. I am glad the minister brought up that point because I would have overlooked it, and I am sure he will agree with me.

Mrs. Grier: Inadvertently.

Mr. Turner: No. The minister brought it up himself and he reminded me. He did not want me to forget it; so we will talk about it.

The physicians themselves have great concern about the effects of this legislation. As the minister says, they are the ones who write out the prescriptions. However, they have a growing concern about prescriptions being filled for some perhaps frivolous items. The minister knows better than I, but I am told that people who have some kind of scalp problem with psoriasis or whatever can get what I refer to as a patent remedy off the shelf by prescription. I guess they can get a six-month supply that they may or may not have any intention of using. I think this is a problem.

9:10 p.m.

Hon. Mr. Elston: The physician is the person who prescribes.

Mr. Turner: I am not arguing that point. I know that full well and so do they. They are the ones who face the patient when he or she comes in and makes a plea. I am not sure what goes on between patients and doctors except between my own doctor and myself.

Mr. Wildman: That is what worries the member.

Mr. Turner: Not really. I enjoy reasonably good health. The point is that the physicians are concerned about the costs–and I hate to bring this up–when they themselves see glaring inadequacies from their perspective within the system. I draw that to the attention of the minister. Even though they have the responsibility and write the prescriptions–and I do not say this in any derogatory manner–until some of these matters were drawn to their attention I do not think they had given it a great deal of thought in many cases. I know they write the prescriptions.

Again, we go back to the small pharmacists employing one or two people from within the community. In their view, they will have to lay off people, restrict services and fill in more time themselves on a personal basis because they tell me–and their figures seem to support this–there is no way they will be able to maintain their present level of business or employment. They claim the volume, the cash flow, is going to be severely restricted. From some of the examples given to me and from some of the financial

statements I have seen, I can tell the minister there is a potential for that to happen.

Hon. Mr. Elston: These concerns from people they are laying off, are these people they have hired to dispense?

The Deputy Speaker: Order. This is not committee of the whole House.

Mr. Turner: It is a valid point, Mr. Speaker.

The Deputy Speaker: Yes, but it is not a question-and-answer session.

Mr. Turner: No. As a matter of fact, I had it here and I was going to come to that topic next.

The Deputy Speaker: Perhaps the minister would refrain from interjecting in future.

Mr. Turner: I was not aware the minister interjected. I heard a voice from the wilderness.

Hon. Mr. Elston: We have come out of the wilderness.

Mr. Turner: I sincerely hope so.

To answer the question or the problem specifically, they are concerned about having to lay off, reduce the hours or completely dispense with the services of pharmacists who may be on staff as well as the people at the front end of the store. The people I am talking about rarely operate the stores themselves. They operate the pharmacy and maybe have their wives at the front. I can give some very valid examples here.

The lack of negotiation and consultation is a concern which I am sure has been brought to the minister's attention time and again. I have read his responses and I respect them, but the people with whom I deal and meet are telling me a somewhat different story. Frankly, they are not only concerned but also frightened. For the most part, they are people who have graduated in the past 10 years, have gone out nicely on their own and may have been into an operation for four or five years. They have a fair amount of equity invested and they are frightened they are going to lose all of that.

I make it very clear to the minister that the letters and petitions I have received from various people across the province have been sent to him for his information, because I feel very strongly that if this matter is going to be dealt with, quite obviously it is going to have to be done with the co-operation of the minister and the ministry staff. It is my intention to keep him informed.

As well, I have responded to each letter, acknowledged it and really done little else. I am not playing politics with the situation; I want to make that very clear. It is a very serious situation.

I have a letter from Forhan's Pharmacy Ltd. in Ottawa, which is well outside the bounds of my riding, I might add. Alan Forhan is the person involved. He informs me as follows:

"On November 7, 1985, the Minister of Health introduced two bills in the Legislature: (1) the Ontario Drug Benefit Act, 1985, and (2) the Prescription Drug Cost Regulation Act, 1985. I am writing you to alert you to the profound implications these two acts will have on our profession.

"The Ontario Drug Benefit Act, 1985, subsections 5(2) and 11(2), would enable the Minister of Health to unilaterally set our professional fees. These subsections eliminate any meaningful negotiations between our association and the ministry.

"Subsections 9(1), (2), (3) and (4): These subsections give inspectors of the Ministry of Health enormous and unreasonable authority of search and seizure. In addition, the ministry at great costs would have to hire and train these people. Moreover, the Ontario College of Pharmacists, our regulating body, has inspectors at present, and this clause takes away most of their authority.

"Subsection 4(2) of the Prescription Drug Cost Regulation Act enforces posting of the prescription fee in the front window and dispensary. No other profession is required to post fees. Also, it is meaningless, because the final price will depend on acquisition costs, and large pharmacies and chains, buying for less, will have a lower final price."

This theme occurs in several letters from independently owned pharmacies.

"This subsection is especially dangerous because smaller pharmacies will be squeezed out and, in turn, there will be less competition in the marketplace.

"Section 4 of the ODB Act: This section opts in every pharmacy, and we must participate. There is no freedom of choice to conduct our business as we see fit.

"Section 8: A pharmacy cannot refuse to supply a drug to an eligible person. There are various reasons we require to refuse prescriptions, i.e., fraudulent, incorrect dosage, incorrectly written. A pharmacist requires the right of professional judgement.

"Prescription Drug Cost Regulation Act, section 7: The section would eliminate the one-month supply concept. Also, this section allows unlimited quantities to be prescribed, an exceedingly unreasonable clause. A physician could write for a six-month or a one-year quantity."

I do not want to provoke the minister or have him respond in any way, but I would like to know whether that is correct.

9:20 p.m.

"The cost of the medication could be $100 or more, and we are supposed to settle for $5. It is insane. It would make ODB prescriptions completely uneconomical.

"Enclosed are some facts of real reasons why drug costs are escalating in Ontario."

He has given me a copy of information and facts pertaining to the Ministry of Health's proposed drug pricing in Ontario. I suppose the minister is well aware of the document at hand. I know he is, because I sent him a copy and there is no doubt he has read it.

The letters go on. They all reflect the concern of the pharmacists which the minister drew to my attention inadvertently a few minutes ago. I have a letter from a pharmacy employee who says:

"Dear Mr. Turner:

"As a pharmacy employee and head cashier, I would like to ask that you as my representative oppose the upcoming legislation regarding Bills 54 and 55.

"We work in a small-town drug store which employs 15 to 20 staff members. I am very concerned for my job and our staff people.

"Please check into what is going on with this legislation and at least contact the concerned parties. I want you to oppose this unilateral action. Please meet with all people involved and negotiate. Surely you could come to some better proposal without a lot of hard feelings.

"We have worked long and hard to establish a profit-making, fine drug store and are a credit to our community. We provide many services to the elderly and our profit, in turn, generates jobs for our young people.

"I am very concerned with this matter because I don't want this wonderful store to change. I don't want to see some of our staff members laid off in January. Please do what you can on our behalf."

I have several letters in the same vein: people expressing a fear for their personal survival, their welfare and the welfare of the community. These letters all come from a small, privately owned pharmacy in the village of Lakefield.

Mr. Laughren: Is this a filibuster?

Mr. Turner: No; I am trying to make the minister aware of the seriousness of the situation.

I have another letter written by an employee; it is somewhat different and should go on the record.

"I wish to go on record to urge you to look into Bills 54 and 55. These must be studied in depth in committee.

"While I do not profess to understand parliamentary procedure, I cannot understand how or why these bills came to be, so rapidly and without any pharmaceutical consultation. I personally feel I'm about to 'be took.' Please do your best to help."

That is signed by a pharmacist who describes herself as a part-time or relief pharmacist at five pharmacies. Again, she expresses a personal concern that her livelihood is going to be threatened and perhaps taken away.

Here is another letter:

"This is written to ask you to please exert your best influence regarding Bills 54 and 55 in the Legislature. In my opinion, these bills desperately need further study before anyone should think of bringing them to law."

That was written not by a pharmacist but by a professional engineer; so a lot of concern is being expressed by a very large group of people, not just the pharmacists but ordinary people–indeed, engineers.

To move around the province a bit, there is a letter from the Family Drug Mart in Kingston, again expressing concern:

"The bills are the result of unilateral action by the...government without any input from the profession of pharmacy. This is especially evident in some of the clauses which make the act unworkable in its present form (i.e., the determination of actual cost, which is not really known until the end of the business year)"–I know what he is getting at–"and in some other clauses which the Ministry of Health itself admits it cannot explain."

I am not sure whether that is a true statement. Perhaps the minister can be persuaded to give serious consideration to a full, open public consultation.

"The intent is to control prescription costs under the Ontario drug benefit plan and the result of the legislation will be the very opposite. The net result will be higher costs to the retail pharmacist and a loss of professional image due to the posting of fees and the emphasis on price this will create. The minister himself has admitted that the smaller pharmacists will suffer directly."

Did he say that?

"We, the pharmacists of Ontario, urge you strongly to vote against this piece of legislation. It is poorly written and will provide only a lower

quality of overall pharmacy service and more cost escalations."

I am sure that letter was written with a sense of frustration. I am sure that pharmacist is aware of the problems within the profession. As many of his colleagues have stated, they are willing to deal with the problems and to make suggestions about how the whole plan can work better.

That is signed by Bruce Wheeler, BSc, Phm, MBA.

Mr. Wildman: Is the member going to vote against it?

Mr. Turner: I have not said that.

Mr. Wildman: Is he?

Mr. Turner: I think not. This is not question-and-answer period. However, I have no hesitation in making my stance quite clear.

I have another letter, from Peters Drugs (1982) Ltd. in Kingston. I think the minister is aware of this one. He nods his head.

An hon. member: You have a lot of mail.

Mr. Turner: Yes, I do. As a matter of fact, I rather encourage it.

Mr. Barlow: Read that one.

Mr. Turner: Shall I?

It says:

"Dear John M. Turner:

"As a frustrated pharmacist, I feel compelled to write to you at this time. Negotiations with the Ministry of Health and the Honourable Murray Elston appear to be nonexistent. This administration appears to be determined to rewrite the economics of the drug delivery system while dealing with our 'profession' in a manner that would not befit a militant trade union. To this end, they have recently...introduced two bills in the Legislature."

Of course, we know what the two bills are.

9:30 p.m.

Mr. Wildman: It is signed by a guy named Parrott.

Mr. Turner: No.

"I would suggest at this time that much more input is required from our side.

"This legislation lacks in the following areas because:

"It attacks the retail pharmacist, who was not responsible for the ODB book prices.

"It humiliates the retail pharmacist by insisting that he tell his customer his acquisition cost of this medication.

"It humiliates the college of pharmacists by saying that the Ontario government inspectors can overrule the inspectors of our profession.

"It does not allow for an amending formula for ODB formulary prices that result from competition.

"It is unconstitutional in that it financially impedes the independent businessman who has invested in our profession and threatens him with financial ruin."

That keeps coming up time and time again.

"I cannot accept this legislation and I predict that the backlash from pharmacy will be bitter."

That is signed by K. E. Moffat, BSc, Phm.

Hon. Mr. Kerrio: A fine speech.

Mr. Turner: Now the member knows how I used to suffer.

The recurring theme that comes up time and time again is one of concern. There are people who are feeling threatened that they are losing their professional status and their financial independence. In these matters, rightly or wrongly, people are voicing their concerns. They want the minister to be aware of the problems. They are asking the minister, indeed they are crying out for the minister to recognize the problems and to meet with these people in the hope of coming up with legislation that is more workable than they perceive the existing legislation.

I have another letter, from Short's Pharmacy in Brooklin.

An hon. member: He must be in the newsprint business.

Mr. Turner: Does my friend know him?

Hon. Mr. Kerrio: Is the member a penpal?

Mr. Turner: Just to indicate the seriousness of this, take a look at the stamps on the envelope. Any of you who are stamp collectors might–

An hon. member: Real nice colours.

Mr. Turner: They are indeed.

The Acting Speaker (Mr. Morin): Order.

Mr. Turner: Somebody made the remark about the pretty colour of the stamps, and I just wanted to agree.

This letter was written to Mr. G. Ashe, who sent a copy to me.

Mr. Epp: How is that name spelled?

Mr. Turner: I will ignore that remark.

"Dear Sir:

"I am writing this letter in the hope that after you have read it you will support me and my colleagues in stopping the enactment of the Drug Benefit Act and the Prescription Drug Cost Regulation Act as proposed by the Minister of Health.

"Over the past half century, pharmacy as a profession has evolved from a traditional role of manufacturing, purchasing and dispensing of safe, effective medication into an increasingly more important clinical role. This role is now being seriously jeopardized by the two pieces of legislation proposed by Mr. Elston. It appears to me that Mr. Elston is determined to decrease drug costs, at least in the short term, without ample consideration or examination of the long-term effects of this legislation.

"I am in total agreement that the consumer has to be protected from the unscrupulous; however, I do not agree that the consumer will best be served in this regard by the proposed legislation. The thrust of this proposed legislation involves a great deal of unnecessary government intervention and regulation of a profession which has served the public good in communities across this province.

"There are some specific areas in the legislation to which I would like to draw your attention:

"Government insistence on having pharmacists charge only the acquisition cost of drugs. This requirement will curtail the use of innovative buying techniques and good business practice. Over the long run, this requirement may even lead to increased drug costs as pharmacists find fewer incentives to look for the 'best deal' from the manufacturers.

"Validation of acquisition cost. The validation of acquisition costs will probably give rise to an expanded bureaucracy and the inherent costs therein.

"Posting of dispensing fees. Government insistence on the mandatory posting of dispensing fees is denigrating to the profession (are physicians, dentists and lawyers required by law to display their fee structure?) and will lead to consumer confusion because the fee by itself is not indicative in any way of the service provided for that fee."

Mr. Laughren: In his hardware store, the member did not put his price on anything, did he?

Interjections.

Mr. Turner: Mr. Speaker, I think they are trying to provoke me.

Mr. Pierce: They just do not have druggists in Nickel Belt.

Mr. Turner: Is that right?

Mr. Pierce: No druggists.

Mr. Jackson: No druggists.

Mr. Turner: I find that hard to believe.

"Mandatory participation in ODB. The legislation proposes that all pharmacies must participate in ODB regardless of whether in doing so the pharmacist operates his or her business at a loss." Again, the recurring theme.

"Refusal to supply a listed drug will not be permitted. This proposal in itself may not be in the best interests of the patient, especially where the patient may be a drug abuser.

"As a result of these proposals the pharmacist will be spending an excessive amount of time explaining why the fee is structured as it is. He or she will also be required by law to explain the customer's right to request interchangeable drugs, after which he or she will be required to define interchangeable drugs and why their costs may vary. Complying with these government requirements will leave little or no time for counselling the patient about the drugs which are needed to alleviate a particular health problem

"Who is really being served by all of this?

"The consumer must be informed, but surely this is not a matter for legislation. This is part of the professional responsibility of the pharmacist.

"Mr. Elston has stressed the need to move quickly in the enactment of these two pieces of legislation. However, I urge you to slow down this process so that the proper amount of consideration and examination can be given to this matter. The profession of pharmacy and a vital aspect of the health care system is at stake."

It is signed by Margaret Frankovich, BSc, Phm.

Mr. Laughren: If the member agrees with that, he will not vote for the bill.

Mr. Turner: As a matter of fact, I did not want to say so.

The Acting Speaker: Order. Just ignore the interjections. Address your remarks to the chair.

Mr. Turner: How can I? My hearing is still good.

I did not want to say this, but the next letter was really addressed to the Premier (Mr. Peterson).

Mr. Haggerty: Did the member get it in a brown envelope?

Mr. Turner: No. We got it in a white envelope with the same number of stamps on it.

These people are expressing concern about what they see as an intrusion into their professional status and integrity and, of course, their businesses.

"Serious public study of Bills 53 and 54 must be undertaken." That was a telegram sent by Elizabeth Lake, BSc, Phm.

Mr. Laughren: Does the member have any more from engineers?

Mr. Turner: I have all kinds.

Hon. Mr. Elston: I think the member for Peterborough has the same speechwriter as the member for Cochrane South.

Mr. Turner: I must confess–no, I will not say it.

Mr. Laughren: They are the same letters.

Mr. Turner: No, they are not.

Mr. Laughren: They were just passed on.

Mr. Turner: No. These are all addressed to me.

I have a letter from Millbrook Pharmacy Ltd. in Millbrook, Ontario. Millbrook is a beautiful, wooded community, nestled in the hills. Everybody has heard of it. It is in the township of Cavan, on the outskirts of Peterborough.

9:40 p.m.

This letter is addressed to me:

"There are certain sections of the Ontario Drug Benefit Act and Prescription Drug Cost Act that concern us pharmacists a lot. They will severely limit our ability to serve the public. Dramatic revisions are needed. Please give your input when the legislation goes into a committee. Enclosed is a copy of a letter to Health minister Murray Elston voicing areas in which I would like to be addressed. Also enclosed is an opinion poll done at my store in support of pharmacists."

That is signed by David Tong, BSc, Phm, the owner and operator and sole pharmacist at the only drugstore in town, serving a wide-ranging farming community. I will not read the letter he has sent to the minister because undoubtedly the minister has read it, noted all the points Mr. Tong has made and will be moved by his compassionate nature to take–

[Laughter]

Mr. Turner: No, that is right.

Mr. Foulds: Why are all the member's colleagues laughing?

Mr. Turner: They are not laughing, they are just grinning.

Anyway, this letter–oh, it is not a letter, it is another telegram from Kawartha Pharmacy in Peterborough signed by Mr. Tino Nontopoli: "Legislation's long-term effects on drug trade and public not understood. Get independent advice. Confrontation is no way to solve a problem." I have many telegrams here, all saying virtually the same thing, pleading with the minister for his consideration.

Interjection.

Mr. Turner: No, it is not that. Again, and I want to emphasize this, they are not suggesting in any way, shape or form that there are not problems which have to be dealt with. As I said at the very beginning, there is no doubt in my mind or in the minds of my colleagues that changes must be made. Every one of these letters, with very few exceptions, makes note of that. They are not saying there is not a problem we should not deal with.

This is a long letter, and I do not want to read the whole thing.

An hon. member: Go ahead.

Mr. Villeneuve: It is only 10 pages.

Mr. Foulds: It has not stopped the member before.

Mr. Pollock: If the member can read them into the record twice, he can read this one once.

Mr. Turner: This is a letter from a pharmacist in Peterborough, a young man who operates a pharmacy called Market Plaza Drugs. This is one of the people with whom I met and he has sent a copy of this letter directly to the minister. I would like to draw out one section, and I do not want to be accused of selective reading.

However, I would like to emphasize this point in case the minister inadvertently overlooked it: "Over the past several weeks, myself and my peers have been calculating the losses that will accrue to our pharmacy operations if the projected average $1 loss per prescription, as calculated by the Ontario Pharmacists' Association, does in fact take place.

"In my instance, approximately $20,000 will disappear from the store's net income before taxes; this after I and my family have spent four of the hardest years of our lives building a new pharmacy operation from the ground, i.e. zero, up to the point where a small amount of profit is yielded. Facing, as I do, a rent increase and a five-year occupancy renewal term in May 1986, facing the phasing in of the Ontario corporations tax, facing, unbelievably, a $20,000 decrease in revenues from the dispensary, I will not be in a position to renew my lease and my business operation will have to be aborted.

"This is an economic fact which has been thoroughly discussed with my accountant and is bona fide in substance. Four full-time employees and one part-time employee, excluding myself, will see their positions and jobs disappear, while the people of this area of Peterborough who have grown to respect and support our store, the senior citizens who appreciate the convenience of our location for prescription drugs and other needs, will be deprived of our services."

I will not read the rest of it because there is no doubt the minister has read it. I met with this fellow and, frankly, I was very impressed by his sincerity, his sense of frustration and fear that after four years of working long hours and getting to the point where he was and is making a minimal profit he will see, in the light of the new legislation and the increased costs over which he has no control, it is going to disappear. These figures have been prepared, as he said and as he impressed upon me in our personal meeting, with the help of his accountant. Frankly, I have no reason to doubt them in any way.

I have another letter that was sent to my colleague the member for Simcoe East (Mr. McLean) from Washago Pharmacy Ltd., Larry Wilson, BSc, Phm, again expressing a concern over the loss of business and the loss of equity that he has invested. He has gone to some length to give me examples of the anticipated financial problems that he sees as inherent as a result of the new bill. Again, these are ordinary people. They are not people who are politically motivated or politically inclined in any way, shape or form, but they are crying out for help.

They perceive themselves as being in a very difficult and dangerous situation. They are asking for consultation and the opportunity to sit down and arrive at a mutually acceptable piece of legislation that would benefit the people of Ontario–there is no doubt about that–and solve the problem the minister has so dramatically made everybody aware of.

This is another letter from Smith and Smith Drugs Ltd. in Peterborough:

"The turn of events regarding the Ontario drug benefit program has caused great concern for the pharmacists of Ontario, both employee pharmacists and owners alike.

"Aside from the biased and unfair reporting in the Globe and Mail, we understand, at least at the grass-roots level, that the Minister of Health has taken a very one-sided, inflexible stand.

"Certainly costs have sky-rocketed in the program over the last years. But these costs have not risen because of excess profits to the pharmacists." The minister may or may not agree with that. I do not know. "The number of people covered by the drug benefit program has risen by 23 per cent. The number of drugs and preparations included in the ODB formulary has risen by 67 per cent. Many of these new drugs are very specific and very expensive.

"I think most pharmacists and pharmacist-owners would agree that some adjustments are definitely needed," again recognizing the problem, "in the ODB program, including the so-called price spread," and everybody has expressed a concern over that, "in large-volume purchases of generic drugs, but also change in the negotiated fee for the ODB is required.

"Nowhere, as far as I can see, has there been any acknowledgement that the role of the pharmacist has been more than 'putting pills in pails,'" as he describes it, "for the patients on the ODB program. A lot of time and effort is used in monitoring the proper use of the medication, the consulting and checking for potentially dangerous interactions of the precise and potent medicines used today.

"Fair is fair, John. I ask that you, with your previous experience...and as our representative to Queen's Park, make sure that this present situation be resolved equitably after all aspects of the problem have been thoroughly understood by our legislators."

It is signed by Robert S. Philips, BSc, Phm.

This is the owner-operator of an independently owned pharmacy in Peterborough who apparently has spent a long time and long hours in building the business to where it is. He recognizes there is a problem and says they are willing to work along with the ministry in resolving this problem, but again he emphasizes the need to sit down and have open consultation and meetings.

I have another letter addressed to the Minister of Health. I will not read it, but it is from the Kawartha Pharmacy (Peterborough) Ltd. and it is signed by Douglas I. Langdon, BSc, Phm. Again it emphasizes the problems as he sees them as a small, independent owner-operator. The letter having been addressed to the Minister of Health, I have no doubt he has read it and has taken into consideration some of the suggestions Mr. Langdon has made.

I have another letter from Robert L. Moro in the village of Lakefield.

Mr. Callahan: Have we heard from everybody in Lakefield now?

Mr. Turner: I can tell the member it is not a very big place. It is a very picturesque little community just north of that great city of Peterborough and it serves a needed function to the rural and farming community–

The Acting Speaker: Order.

Mr. Turner: –which it serves, Mr. Speaker, sir.

"Enclosed is a copy of a letter sent to Murray J. Elston, Minister of Health. I hope that it will assist you in giving your support to the pharmacists of Ontario in any new legislation." There is

no sense of vindictiveness, but it again asks for a full and open hearing.

Mr. Moro had the unfortunate experience of being burned out two years ago. He writes: "Unfortunately, in January 1984 my store was destroyed by a fire. I had to build a new building complete with fixtures, equipment and stock. The cost to rebuild, fixture and stock a new store was as follows," and he gives a very detailed statement.

Mr. Epp: Is Lakefield not where Prince Andrew was?

Mr. Speaker: I do not believe this is question period.

Mr. Turner: I did not think it was either, Mr. Speaker, but I did not want to ignore my friends on the opposite side.

I think the next portion of this letter is important. It points out a problem that is mentioned again and again in the various letters to which I referred, but perhaps it goes into it on a more specific basis.

"Enclosed is a trial balance for eight months, from January 1985 to August 1985. This would be a realistic statement of costs and profit for any new pharmacy starting out in business in rural Ontario. The inventory for the dispensary was $52,000 at cost.

"If the new legislation does not deal fairly with pharmacists as well as with the people of Ontario, I feel many pharmacies in rural Ontario, as well as some in urban areas, will be forced to close. This would result from a loss of profit to compensate for a return on investment. This same lack of profit would prevent a recently graduated pharmacist from buying an established pharmacy.

"If I had invested the $416,000 at nine per cent"–which it cost this fellow to replace his store, stock and fixtures–"I would receive $37,440 per year. My income, projected from the eight months as enclosed, would be $31,622.25 for the year. This would come from projected sales of $672,000.

"I employ another pharmacist and three full-time staff and four part-time students. Do you see, in my balance sheet, any windfall gains of the magnitude I have seen printed, using your ministry's figures, in the newspapers? This is a comparable balance sheet for many pharmacies in rural Ontario."

Mr. D. R. Cooke: However, the member's speech is costing the taxpayer $12,000 per hour. Is he filibustering?

Mr. Turner: No, I am not. I feel very strongly about this in a sense of fairness, as I said at the beginning. I have a very close and friendly feeling with the minister, which I hope is reciprocated, but I think he has chosen to attack this issue.

Mr. Epp: When you were the Speaker, you called this filibustering.

Mr. Turner: I do not ever remember that. Anyway, I would like to draw this to the minister's attention and to the Speaker's attention because I know he is well aware of the problems faced in the rural communities of this province. The pharmacist has included a financial statement, which I will not take the time to go over in detail because it would be an abuse of the privilege of members of this House.

Mr. Callahan: Has the member got his tax statement there, too?

Mr. Turner: Yes, okay.

Mr. Callahan: I would like to see it.

Mr. Turner: Anyway, Robert Moro in the village of Lakefield has a very real and great concern that should be addressed as do a great many other pharmacists in rural Ontario and in the small towns and cities of this province; indeed, it must be addressed.

I have another letter from R. W. Bunting Drugs Ltd. in Peterborough, voicing the owner's concern, again in the same manner, asking for fair and equitable treatment.

I do not want to belabour the point–

An hon. member: Oh.

Mr. McFadden: The member has not been.

Mr. Turner: If the member wants me to go on–but, seriously, I have one other letter from Dom O'Keefe, a pharmacist in Peterborough.

Mr. Andrewes: The Dom O'Keefe?

Mr. Turner: Yes, the member knows him well, as does the minister. The pharmacist in question has sent a copy of the letter to the ministry.

I would like to emphasize the concerns all these people are stating with regard to their own welfare and the welfare of their customers and their communities. Having regard for the clock, I do not want to wear out my welcome.

10 p.m.

I have not had the opportunity to send these to the minister. This is what has accumulated over the weekend, which I brought in this morning and which was sent directly. It is not only the pharmacists who are concerned. There is a growing concern among the physicians and the people, senior citizens in particular, who avail

themselves of the services of pharmacists in the province.

I emphasize that this is a great and growing concern, one that is legitimate in my view and has to be addressed. This is not in defence of any special interest group. I am not suggesting that, but I am saying it cries out for fair and equitable treatment.

Mr. Leluk: I am delighted to participate in this debate on Bill 54, the Ontario Drug Benefit Act. I am pleased the minister is listening carefully, because he did not listen to the pharmacists of the province, to the drug manufacturers, to the drug wholesalers, or in some cases even to the consumers, before introducing this legislation in the House on November 7.

We keep hearing from the Premier about the openness of the government. One would have expected that in bringing forward legislation as important as this, the minister would have chosen to discuss this legislation with members of the pharmaceutical profession, but he chose not to.

I want to read into the record what the minister said to the standing committee on general government on Wednesday, November 20, 1985, when it was considering the estimates of the Ministry of Health:

"One never knows where all the impetus for litigation comes from, but I can tell you that the net result of that litigation and the fact that an injunction was placed against the Ministry of Health to prevent it from implementing a new formulary...has created a high degree of uncertainty and difficulties with respect to coming to grips with negotiating a dispensing fee and it has also eliminated, I think, a desire on my part and on that of the ministry officials to arrive at a mutually agreeable and co-operative and fair system."

There are 7,000 professional pharmacists in the province, and one generic drug house brought an action against the ministry which resulted in a statement of that kind that places in jeopardy 7,000 practising pharmacists in this province. I hardly think that is the open type of government that people expect from the party on that side of the House.

I was looking for a statement from the ministry which gave the highlights of Bill 54 and Bill 55. I do not have a date for this document; so I cannot give that date. However, in the closing paragraph, it states:

"The Honourable Murray Elston, Minister of Health, and his officials have sought advice from all parties–drug manufacturers, consumers, wholesalers, and representatives of pharmacy, medicine and dentistry. Mr. Elston has publicly stated that the ministry is prepared to negotiate a fair and equitable dispensing fee under the Ontario drug benefit program."

It concerns me when talking to pharmacists. We had a group of young pharmacy students down to Queen's Park on November 18, who asked to meet with the minister. I believe when the call was made to his office around 11:30 a.m. he was not able to change his schedule. However, when he appeared on television that same evening and was asked about this matter, he stated he did not know the pharmacy students wanted to see him.

Subsequently, I understand a meeting was arranged and that those pharmacy students met with him. The feedback I got from those students was that the minister was just going through the motions. He met with them because of the flak that occurred when he was not willing to meet with them when they arrived here at Queen's Park. It was a fait accompli that the legislation was before this House. His mind had already been made up. He was not interested in listening to what these young people had to say.

Mrs. Grier: The member's government always listened.

Mr. Leluk: We are listening. We are no longer the government. The government over there is not listening.

I was quite concerned on December 5, when my colleague the member for Cochrane South was speaking on this legislation in this House and was putting on the record a letter in which a pharmacist was somewhat concerned that he was actually losing money in the dispensing of certain drugs. In the dispensing fee, this druggist lost $1.48 on every prescription filled out for 60 tablets of a drug called Nolvadex, that he fills out as a pharmacist in this province.

While my colleague was speaking on this matter, which was of concern to the pharmacist in question, the member for Brampton (Mr. Callahan) stated: "Is this pharmacist operating out of a truck? He is selling peanuts, razors and cigarettes." That is the kind of mentality that the members on that side of the House should be ashamed of, particularly since the member for Brampton is a professional himself, a lawyer by profession. He should know better.

I would like to send over a prescription of my own to the member for Brampton. It is a bag of peanuts. I would like him to take one of these every six hours when he has a fever, a temperature of 104 degrees. When he is not getting any better, I would like him to think about

what he had to say about the profession of pharmacy on the evening of December 5 in this House. He might want to take one every six hours when he has a temperature. There is no dispensing fee; it is compliments of the House pharmacist tonight.

10:10 p.m.

Hon. Mr. Kerrio: The member will get a medal from the pharmacists.

Mr. Leluk: It takes one to know one, I say to the Minister of Natural Resources.

The concern I have is that in talking to pharmacists and people from the pharmaceutical industry, I am told they were not invited to sit down and talk to the minister about this legislation. The Ontario Pharmacists' Association, the professional organization for pharmacists in this province, is on record as far back as 1979 as requesting the Ministry of Health to involve the OPA in its deliberations for the changes which for several years both parties have recognized are desirable.

Pharmacists and drug manufacturers in this province admit there are problems with the present Ontario drug benefit program which need to be addressed. I do not think there is any pharmacist in this province who would deny there are problems; other members of the drug delivery system, whether they be drug wholesalers or manufacturers, would agree. However, they object to the method and manner in which the minister has gone about addressing these problems.

I am told by the pharmaceutical manufacturers that on November 6, 1985, there was a letter from the minister asking the Pharmaceutical Manufacturers Association of Canada to consult on the new legislation. On Thursday, November 7, Bills 54 and 55 were introduced for first reading in this House. The PMAC met with ministry officials that same day to exchange documents with a focus on the Ontario Drug Benefit Act, Bill 54.

On November 13, the PMAC called a general meeting when the impact of Bill 55 became known to it, something of which it was totally unaware. It turns out this is the kind of consultation and discussion the minister has had with members of the drug delivery system in this province: no discussion and no consultation.

There are some 7,000 professional pharmacists in this province who are dedicated members of the health care team and have a long-demonstrated commitment to serving the people. They are university graduates. They are people who spent four years obtaining a degree and another year or so in an internship program. They are people who have knowledge and experience and who exercise judgement in dispensing prescription drugs.

They are very important members of the team of health care professionals, who provide one of the finest health care delivery systems to be found anywhere in the world. We have had people come to this province such as Senator Kennedy, who was chairman of the US Senate health committee. They have come here in awe of the health care system we have in this province. Unfortunately, many people take it for granted.

Mr. Mancini: He came here for the Ontario health insurance plan.

Mr. Leluk: I know he came here for the Ontario health insurance plan.

Mr. Mancini: He did not come here to review what the pharmacists were doing.

Mr. Leluk: The member for Essex South (Mr. Mancini) does not know what he is talking about. This is all part of the health care system in this province. Many people have come from abroad and remarked on the health care services in this province.

To get to some of the specifics in the legislation, I am very concerned that the pharmacists are all opted into this program and have no option to opt out. It concerns me that the government, through the Ministry of Health and the minister, is going to set the prescription fee arbitrarily without any negotiation with the profession. It concerns me, as well, that, under the program, the pharmacist will not be allowed to refuse to supply a listed drug for an eligible person. The government is depriving a person who has been professionally trained from using his own professional judgement in cases where he should have the discretion not to fill a prescription.

I do not know how much the minister knows about prescription drugs and what can take place. Many forged prescriptions are brought to pharmacies. I used to be an inspector with the Ontario College of Pharmacists. I have travelled this province. I was in virtually every pharmacy throughout the province between 1961 and 1969. At that time, I think there were only 1,400 pharmacies; today I understand there are some 1,900.

10:20 p.m.

It was not unusual to have people who were knowledgeable in the drug language come into pharmacies with forged prescriptions. Some

were actually very good, having obtained prescription forms through a physician's office or somewhere else. In many cases, pharmacists refused to fill those prescriptions, knowing full well they were not authentic prescriptions. In many cases, those prescriptions were for narcotics and other potentially dangerous medications.

Mr. Mancini: Do you think this bill is going to stop that?

Mr. Leluk: You do not even know what you are talking about.

Mr. Grande: For the second time.

Mr. Speaker: Order.

Mr. Guindon: Give him six months of Valium.

Mr. Leluk: In many other cases, there are prescriptions for drugs that are contra-indicated for that particular patient who may be on other medication and the pharmacist is trained to know these things. There may be overdosages.

This is ill-conceived legislation. It was not at all well thought out. The idea behind this legislation was to bring it in on November 7 and have it passed by the time the House recessed for Christmas, for the winter break, without consultation or discussion and without its going to committee.

There was no mention by the minister that this legislation would go to committee. It took the leader of our party, the member for St. Andrew-St. Patrick (Mr. Grossman), to tell the pharmacists we would ensure this legislation would go to committee for a full and open discussion.

Mr. Mancini: That is not true at all.

Mr. Speaker: Order.

Mr. Leluk: It was only when flak hit the fan that the minister responded. He said at that time, "Yes, it is going to go to committee."

Hon. Mr. Elston: Wrong.

Mr. Leluk: No, I am afraid that is the way it was.

Mr. Hennessy: Walter Cronkite.

Mr. Leluk: Walter Cronkite.

It has always been the position of the Ontario Pharmacists' Association that a drug distribution system in Ontario can be effective and efficient only if it is the product of the combined efforts of the government, the pharmacists, the drug manufacturers and consumers' representatives. However, the government unfortunately has chosen to do its own thing.

I would just like to read into the record a letter which I obtained from the Ontario branch of the Canadian Society of Hospital Pharmacists. This branch represents more than 700 practising hospital pharmacists in this province. It identified a number of serious concerns regarding the manner in which the legislation has been introduced, as well as the contents of the legislation itself.

It was extremely concerned about the short time frame associated with the introduction of this legislation. It feels the speed with which the proposed legislation has been introduced is not consistent with the spirit of consultation and consensus that has been the hallmark of the health professions legislation review process. The branch feels that any new health-related legislation introduced at this time should be undertaken only within the context of the health legislation review process.

It feels that the proposed legislation raises a serious question regarding the principle of self-regulation. According to the legislation, the minister may appoint inspectors to examine a pharmacy's records and remove these from the premises. This provision raises some questions regarding the jurisdiction under which the profession falls and its accountability. The provision of the Health Disciplines Act establishes the Ontario College of Pharmacists as the regulating body for the profession.

I, too, want to add my strongest concerns about this section of the bill. As I stated earlier, I was an inspector with the Ontario College of Pharmacists back in 1961-69. I headed that department in 1965. We had four inspectors who were all qualified pharmacists and understood what they were looking for when they visited these pharmacies across the province.

I would like to ask the minister why it is necessary for inspectors to be appointed through the Lieutenant Governor in Council, who in turn can designate any person the legislation says, any person at all–Joe Blow from Kokomo–to walk into a pharmacy, examine confidential medical records and be able to seize those records and walk out of the store with them. Why does the minister feel it is essential to do this–to have inspectors brought in when the college of pharmacists has an inspection department which, over the years, has done a very good job?

If it is a question of requiring more inspectors, then the college of pharmacists should be advised of this through the minister's office. If there are some problems of which I am not aware, and I served at the college for only eight and a half years, then maybe the minister could tell me about them, because I would enjoy hearing what

those concerns are that would prompt him to bring in this type of proposed legislation.

Furthermore, in this letter it states it is disturbing to note the proposed legislation makes absolutely no reference to the term "pharmacist," only to the operator of a pharmacy. According to the Health Disciplines Act, only a pharmacist or a physician can dispense a prescription.

The omission of "pharmacist" from this legislation is a very serious oversight. Maybe there is a meaning here that goes beyond this legislation. Maybe what we are looking at down the road is socialized medicine coming in, with a central government depot for dispensing drugs, doing away with the pharmacy professional–socialized medicine.

It must be emphasized that the role of the pharmacist goes beyond the mechanics of dispensing and prescription pricing. The professional responsibilities of the pharmacist include patient counselling, and assessing the appropriateness of the drugs prescribed through the review of the prescription written by the physician as well as through the patient profile maintained in the pharmacy.

No person other than a pharmacist or a physician is legally authorized to carry out these responsibilities under the current provisions of the Health Disciplines Act.

Mr. Speaker: Perhaps the honourable member could find the appropriate time to conclude his remarks or adjourn the debate.

Mr. Leluk moved the adjournment of the debate.

The House adjourned at 10:29 p.m.

CONTENTS

Monday, January 6, 1986

Second readings

Small Business Development Corporations Amendment Act, Bill 44, Mr. Nixon, Mr. Foulds, Mr. Gregory, Mr. Rowe, agreed to 2771
Ontario Drug Benefit Act, Bill 54, Mr. Elston, Mr. D. S. Cooke, Mr. Turner, Mr. Leluk, adjourned 2776

Committee of the whole House

Small Business Development Corporations Amendment Act, Bill 44, Mr. Nixon, reported 2775

Other business

Adjournment 2792

SPEAKERS IN THIS ISSUE

Barlow, W. W. (Cambridge PC)
Callahan, R. V. (Brampton L)
Cooke, D. R. (Kitchener L)
Cooke, D. S. (Windsor-Riverside NDP)
Edighoffer, Hon. H. A., Speaker (Perth L)
Elston, Hon. M. J., Minister of Health (Huron-Bruce L)
Epp, H. A. (Waterloo North L)
Foulds, J. F. (Port Arthur NDP)
Grande, T. (Oakwood NDP)
Gregory, M. E. C. (Mississauga East PC)
Grier, R. A. (Lakeshore NDP)
Guindon, L. B. (Cornwall PC)
Haggerty, R. (Erie L)
Hennessy, M. (Fort William PC)
Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
Leluk, N. G. (York West PC)
Mancini, R. (Essex South L)
McFadden, D. J. (Eglinton PC)
Morin, G. E., Deputy Chairman and Acting Speaker (Carleton East L)
Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue (Brant-Oxford-Norfolk L)
Philip, E. T. (Etobicoke NDP)
Pierce, F. J. (Rainy River PC)
Pollock, J. (Hastings-Peterborough PC)
Polsinelli, C. (Yorkview L)
Rowe, W. E. (Simcoe Centre PC)
Smith, E. J. (London South L)
Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)
Turner, J. M. (Peterborough PC)
Villeneuve, N. (Stormont, Dundas and Glengarry PC)
Wildman, B. (Algoma NDP)



No. 80

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Afternoon Sitting

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Clerk of the House: R. G. Lewis, QC

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CONTENTS

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, January 7, 1986

The House met at 2 p.m.

Prayers.

RECESS OF HOUSE

Mr. Grossman: Mr. Speaker, in the absence of very many ministers, I would ask you to adjourn the House for perhaps five or 10 minutes.

Mr. Speaker: I do see a few ministers. I wonder whether the other members might like to stand down their questions. Are there any other members who would like to ask any questions?

Mr. Timbrell: Mr. Speaker, there are only five or six ministers in the House, and question period does begin at two o'clock. I know the government is learning the ropes, but that is not a hard thing to learn. I submit that the suggestion is a good one and that perhaps we should adjourn for five or 10 minutes so they can get here in their chauffeur-driven limousines from wherever they go at 12 o'clock. I do not know.

Hon. Mr. Nixon: Mr. Speaker, I know you will want the views of the government expressed in this important matter. My colleagues and advisers tell me there are now close to 10 ministers present, and here is another one arriving even as I speak.

When one looks at the number of empty blue seats in the official opposition, one will understand that it must have something to do with the bright, sunny day that is perhaps keeping a lot of people over a lunch that is a little longer than it might have been.

You will be glad to know that I am gradually running down, Mr. Speaker, but as these seats rapidly fill up with cognoscenti, I suggest you ask the Leader of the Opposition (Mr. Grossman) to do his best, or whatever else he has.

Mr. Speaker: A suggestion has been made that the Speaker consider recessing the House. However, I believe the standing orders allow the Speaker to recess only in a case of grave disorder. Everything seems to be so calm, cool and collected that the Leader of the Opposition may want to place his question now.

Mr. Grossman: I thank the Treasurer for ragging the puck as effectively as he did, but we on this side agree that he is running down.

ORAL QUESTIONS

INSURANCE RATES

Mr. Grossman: I have a question for the Minister of Consumer and Commercial Relations. The minister may be aware, although he may not be, that the best offer for insurance received by the Metropolitan Toronto School Board was $1 million worth of coverage, as opposed to its previous coverage of $10 million, and that, incredibly, the coverage it had to accept was $1 million worth of coverage, excluding coverage for sporting and other events voluntarily entered into by students.

In other words, because of the inactivity of this government, we have a circumstance where students were previously covered for any injuries incurred while playing sports at school and now in Metropolitan Toronto they are not.

I wonder whether the minister might have any advice today for the Metropolitan Toronto School Board about obtaining coverage for those students who are not covered or about providing protection for the ratepayers.

Hon. Mr. Kwinter: This is the sort of thing we are addressing with the committee I have put in place. The Leader of the Opposition asked whether I was aware of this situation, and I have to tell him I was not. However, as these problems are identified, we are addressing them. During the past two or three weeks we have had several instances where we have had problems, not necessarily in the school boards but in other jurisdictions and in other areas; we have addressed them and solved them.

It is a grave problem, and there are no easy answers. However, as these problems come up, each one is looked at on an individual basis; there is no magic formula that cuts across the total problem. As they are identified, we are looking at them, trying to facilitate the resolution and trying to solve them.

Mr. Grossman: With respect to the minister, at the annual meeting of the Association of Municipalities of Ontario in August, his colleague the Minister of Municipal Affairs (Mr. Grandmaître) was present and spoke, I believe, to a resolution calling upon the government to address this problem.

The Minister of Consumer and Commercial Relations himself, in speaking to this problem in the Legislature on November 29, said: "I will assure the member that we are looking into the total problem with the insurance industry.... Before we do something, we have to identify the problems and see what alternatives there are. We are doing that."

It is now January, six months after this issue was raised with his colleague at the AMO, and he is here reporting that he has no answer for the Metropolitan Toronto School Board or for the young people who are playing in its playgrounds this afternoon without any insurance coverage whatsoever.

Will the minister outline for the House what specifically he is prepared to do for the Metropolitan Toronto School Board and for others? Or will he admit that he has done, and is doing, nothing?

Hon. Mr. Kwinter: I am prepared to give the Leader of the Opposition an undertaking that we will contact the Metropolitan Toronto School Board, find out exactly what its problem is and use all the facilities we have to resolve it.

Mr. Reville: It seems question period is helpful after all, because the minister is discovering a few things. Yesterday he thought municipalities were declining to accept insurance, when he should have known that in the case of the Metro group, it could get no underwriter to make a firm offer.

Is the minister going to wait until municipalities decide to withdraw services because of the risks to which they are exposed, or is he prepared to tell the House now what efficacious steps he is prepared to take to protect the municipalities and the citizens?

Hon. Mr. Kwinter: I do not know whether we are talking about two different boards. One was the school board; I think the honourable member is talking about Metropolitan Toronto as such. The board is coming in tomorrow, as a matter of fact, and we will discuss a reciprocal insurance program.

I cannot anticipate every single problem that is going to happen in every municipality or in every school board, but as they are identified, we are addressing them.

2:10 p.m.

Mr. Grossman: The minister said yesterday: "At present, there is not a school board or municipality that is not covered. When we have that problem, we will address it." Quite clearly, we now have at least one school board that is not covered, and in fact many that are not. The minister was wrong yesterday.

If the minister is sending out the signal today that he will do nothing except respond when there is a major award given and then figure out what he is going to do to help out the school board or municipality, either he is going to have bankrupt municipalities or school boards or all the other school boards are going to be saying: "Cancel the insurance we have. Monty will come in with a cheque after the settlement." He cannot let it go that long.

Will he indicate to this House what he is prepared to do, not on a case-by-case basis after an accident, to remedy this problem? There are schoolchildren unprotected today.

Hon. Mr. Kwinter: My information yesterday was that there were no schoolchildren who were unprotected. The school boards either had insurance or had made a decision to self-insure.

Mr. Grossman: They are not insured. That is not an insurance policy.

Hon. Mr. Kwinter: That is insurance. I am saying to the honourable member that if there are problems out there that are brought to our attention, we will address them.

Mr. Grossman: The minister was told six months ago.

Hon. Mr. Kwinter: This was not told to us six months ago. We looked at the problem, and as of yesterday my information was that all school boards either had insurance or had made a decision to self-insure.

Mr. Grossman: He was told six months and he did nothing. Tomorrow he is calling them in to talk with them.

FUTURES PROGRAM

Mr. Grossman: I have a question of the Minister of Skills Development. Yesterday he was suggesting that the Futures program has been, to use his words, "a marvellous success." There were 125,000 young people unemployed in Ontario in November. The Futures program, after three months, has placed 1,500 of the 125,000 unemployed young people in this province. Yet he has the nerve to come to this House and call it "an extremely successful program."

Can the minister share with this House his plans for the other 123,500 young people in this province whom he told during the election campaign he would have jobs for?

Hon. Mr. Sorbara: I am honoured the Leader of the Opposition would direct one of his two

questions to me. I regret a little that it was not one of the classic "either-or" questions, because those are a lot easier for a rookie like myself.

First of all, I point out that the figures the honourable member quotes are incorrect. Some 5,500 people have been involved in the Futures program in its first two months, not three months, of operation. We do have a number to go yet, and we anticipate we will reach our estimate of 56,000 young people before March 31, 1986.

One of the areas where we are deficient is our recording system. The figures we have in the ministry are not as up to date as I would like them to be, because new delivery agents and new mechanisms have been put in place in the community colleges and the reporting information is not getting to us as quickly as possible. Even the figure of 5,500 placements does not reflect an up-to-date situation.

Mr. Grossman: The minister may be honoured with more of our questions if he continues the way he has.

I want to tell him we got the figure of 1,500 from his officials. After question period and before he goes out into the hall, he may want to find out from his officials whether they were playing games when they told us there were 1,500 or whether they were playing with him when he asked for a figure he could use in question period today.

We would like to know whether it is 123,500 or 119,500 young people who have been ignored by him.

Mr. Speaker: Is that your question?

Mr. Grossman: In this election brochure his party put out, I see the following quote from his leader: "Half a million people, many of them young, are out of work. Others are uncertain about their future. David Peterson and the Ontario Liberals will guarantee young people a first job or training program of up to one year."

What he has done is to have a three-month program for 1,500 young people.

Mr. Speaker: Question, please.

Mr. Grossman: What are his plans to honour this election commitment?

Hon. Mr. Sorbara: That is getting a little closer to an "either-or" question, but it is not quite there yet.

Futures is a long-term program that we believe and feel confident will respond to that very grave problem. Its success will not be measured by two months of a new program that provides a one-year guarantee of employment, characterized not simply by work experience but also by work experience that provides on-the-job training. I invite the Leader of the Opposition to follow along; he will see that program being successful.

Mr. Grossman: We are getting more up-to-date information from the minister's officials than he is, although he may have it now. It appears there are 5,500 applicants, but only 1,500 jobs.

We have had some people calling the government's toll-free number, which I want to make available to the media and the public; it is 1-800-387-0777. We found it took two days to get anything but a busy signal. Sometimes one is put on hold for an extraordinary length of time, listening, I admit, to some rock music. That may explain why the minister had only 5,500 applicants out of 123,000 young people.

Mr. Speaker: Supplementary, please.

Mr. Grossman: With the enormous amount of money the ministry has been spending on advertising on posters and billboards, how many people does it have answering the phones?

Hon. Mr. Sorbara: I would like to be able to answer that question now, but I cannot. I am sorry, but I do not know the precise number of people we have answering the phones. I will admit to the Leader of the Opposition that in the first month of operation we had some problems with the hotline.

When one is Leader of the Opposition, one's information is not quite as good. His figure of 5,500 applicants is wrong; it is just not the correct information.

I undertake here and now to provide him as soon as possible with the number of people we have answering the hotline.

INSURANCE RATES

Mr. Foulds: I have a question for the Minister of Consumer and Commercial Relations about automobile insurance. I wonder whether the minister can clarify why he said in the Legislature yesterday that auto insurance premiums in Ontario "are a factor of the marketplace, and at this point we have no intention of interfering with that marketplace," but he was reported as saying a mere 50 minutes later in the scrum outside the Legislature, "If we find that insurance is just getting completely out of hand, where the consumer can't get affordable insurance, then we will have to look at alternatives." Is he going to bring in public auto insurance or not?

Hon. Mr. Kwinter: I am not planning to bring in public automobile insurance. Having said that,

we are looking at the total problem involving the insurance industry. We are not turning down any alternative. This is strictly a hypothesis, but if we find that is an option, we will consider it. At this time, we are not considering it.

Mr. Foulds: Is the minister not aware that the famous select committee on company law looked at auto insurance and at the insurance industry of this province for a long time and came out with a substantial report as long ago as 1977-78?

Is the minister aware that the Premier (Mr. Peterson) himself evidently indicated yesterday that the government is not interested in running an insurance scheme unless it is substantially cheaper than private operations?

Does the minister not agree that rates of $340 to $457 in cities on the Prairies, including the major metropolitan centre of Winnipeg, are substantially lower than the rates in seven Ontario cities, ranging from $501 to $804 in Windsor?

Mr. Speaker: Order; the minister.

Mr. Foulds: Does he not think they are substantially cheaper?

Mr. Speaker: Order.

Mr. Foulds: Does he not think it is about time he followed up on previous commitments and brought in public auto insurance?

Hon. Mr. Kwinter: I want to repeat that we are looking into the total picture of the automotive industry in Ontario and we will be considering all options.

2:20 p.m.

Mr. Grossman: Could the minister clarify for us that among the options the government will look at is the option outlined by the Premier yesterday, of having a government-run, no-fault auto insurance scheme? Is that one of the options this government will now be looking into?

Hon. Mr. Kwinter: There are all sorts of possibilities and we will be looking at them all.

Mr. Foulds: Can the minister advise us how long he is going to delay by this "looking at them all" technique? How long is he going to delay the protection of the consumer in Ontario who already pays the highest premiums in Canada for auto insurance and is facing whopping increases of 15 per cent to 25 per cent?

Hon. Mr. Kwinter: We will be looking into it as soon as we can and we will come to a resolution as soon as we can.

Mr. Reville: Surprisingly enough, my question is also for the Minister of Consumer and Commercial Relations. The minister is aware that skyrocketing liability insurance costs are creating crises for municipalities, school boards, hospitals, commercial vehicle operators, motorists and perhaps even the minister himself. He will also realize that the other side of liability insurance is disability for individuals from injury or other causes.

Given the minister's concern, which he has stated over and over in the House, about the global nature of the problems and how he wants to address them, and given the present irrational and inadequate system of disability income protection, will the minister tell the House whether the government is prepared to consider a universal system of sickness, accident and disability insurance?

Hon. Mr. Kwinter: The whole area of insurance is going to be addressed in a global context. We will be looking at every aspect of it.

Mr. Reville: The minister is aware that the whole area has already been addressed by the Legislature's select committee on company law, and by distinguished legal experts Edward Belobaba of Osgoode Hall Law School and Paul Weiler of Harvard University Law School, among others. They have concluded that universal sickness, accident and disability insurance is desirable, affordable and workable. What is keeping the minister from committing himself and his government to establishing such a system now?

Hon. Mr. Kwinter: I repeat, we are looking at the overall problem of insurance and we will address it as soon as we can.

Mr. Runciman: In response to all the questions related to the insurance field today, the minister is saying he is going to look at everything. There was a committee appointed some months ago, prior to this government taking office, which was looking at the insurance industry. Why is the minister being so uncertain about when he may arrive at some conclusions with respect to the variety of concerns about this industry? Can he not set a deadline for his officials and say: "I want some answers. I want some solutions. I want some proposals"?

Hon. Mr. Kwinter: I will be taking any proposals to my cabinet colleagues and I expect to be making a major statement about the problem on Thursday. However, I cannot give the member a final date as to when we are going to resolve it.

Mr. Reville: The minister is expressing his concern with the efficacy of government and he is showing some apparent willingness to inter-

vene to protect consumers from the vagaries of the insurance industry–

Mr. Speaker: Perhaps the member would express a question?

Mr. Reville: I will express the question now because it is an excellent one. Members will want to hear it.

Will the minister act now on the recommendation of the select committee on company law; to wit: to establish an interministerial committee "to examine the problems and possible solutions to the introduction of a comprehensive disability income protection plan for the residents of Ontario"? It is recommendation 34.

Hon. Mr. Kwinter: I will be happy to take the member's question into consideration.

GREAT LAKES WATER DIVERSION

Ms. Fish: I have a question for the Minister of the Environment (Mr. Bradley) if he is within earshot of my voice.

Mr. Speaker: The minister is not here. You might want to address your question to someone else.

Ms. Fish: I will put my question to the Premier.

The Premier will be aware that about a year ago the federal government issued a working paper on water quality entitled Currents of Change. This paper requested provincial response, particularly concerning policies on water diversion.

Will the Premier confirm that his government's policy will continue the previous government's policy of allowing no water diversion from Ontario to other jurisdictions in the absence of the specific approval of the Ontario government?

Hon. Mr. Peterson: It is interesting. I have been in discussion on that very issue with a number of the Great Lakes states' governors. I was on the phone with Governor Blanchard not very long ago.

We share the honourable member's personal view, and I gather the view of the previous government, on that matter. I have also discussed it with the former Premier, Mr. Davis, and it is the intention of this government to carry on with the same policy. In other words, we will not favour any diversion.

Like the member, I read with some concern suggestions of the great Grand Canal and other massive diversions down into the Midwest. I am very concerned when I read of some who would trade off our water as part of the free trade agreement. She will understand, of course, that we have stood very firm in defence of Ontario's interests and against diversions.

Ms. Fish: I am gratified indeed by the Premier's firm commitment in this regard.

In consideration of the water study currently under way in the Kitchener-Waterloo-Cambridge area–where current predictions are that by 1991, if not earlier, existing water capacity will have expired and there may be a need to divert water from surrounding rural areas–will the Premier similarly give an undertaking that no waters will be pumped or diverted from the communities of Puslinch or North Dumfries in the absence of the specific approval by the local municipal councils of such pumping or diversions?

Hon. Mr. Peterson: I am not familiar at all with the problem the member raises. I am willing to inform myself or to ask the minister to give her an answer on it. I am sorry, I do not know, and I would prefer not to make any firm commitment on anything in the absence of knowing the facts.

Mr. Morin-Strom: I understand the Premier is meeting with Simon Reisman this week. Is he prepared to tell Mr. Reisman in that meeting, or in any other discussions he may have with him, that the Grand Canal project and any other similar major water diversion project will be totally off the table in any trade discussions with the United States, now or at any time in the future?

Hon. Mr. Peterson: I am not meeting with Mr. Reisman this week, to the best of my knowledge, although one never knows whom one will meet in my business, because I am so happy to meet with anyone, anywhere, any time. If he wants to come, I will be delighted to meet him. That being said, as far as I know, I have no plans to meet him.

With respect to the honourable member's question, I am sure Mr. Reisman knows my very strong views on this subject. I cannot imagine that Mr. Reisman would have the temerity even to raise that subject in any discussions with the United States. If he did, I can assure the member he would receive short shrift from this government.

2:30 p.m.

ROYAL COMMISSION ON THE NORTHERN ENVIRONMENT

Mr. Wildman: I have a question of the Premier. Now that we are into the fifth or sixth month since the report of the Royal Commission

on the Northern Environment was made public, can the Premier give us a time frame by which we will know when this government is going to have an official response to the recommendations of that commission, keeping in mind that the new Deputy Minister of Northern Development and Mines indicated in the Thunder Bay Chronicle-Journal in November that the government did not want to make knee-jerk responses to the report's recommendations?

Hon. Mr. Peterson: As the honourable member is aware, there are a great number of recommendations in that report that require implementation, scrutiny or rejection by the government. The government has taken that report seriously. There is an interministerial group chaired by my colleague the minister that is examining the proposals in detail.

I am not suggesting for a moment that the member will see a formal response to every one of those proposals, but he will be seeing them dealt with over a period of time. As I understand it, some already have been. That will be the approach this government will take.

I assure the member that we take it seriously. After all, we invested $10 million in that report and we do not like to squander money. Any value we can extract therefrom, we will attempt to do.

Mr. Wildman: In the December edition of Northern Ontario Business, the Minister of Northern Development and Mines (Mr. Fontaine) indicated that there were some good things in the report, that the government was studying it, and that "all the ministries are looking at it."

Can the Premier give us some indication as to when this "looking at it" process will be completed and when or whether there will be an official response on the part of the government to the overall thrust of the report and to specific recommendations?

Hon. Mr. Peterson: The minister was right, as usual, when he said there was some good in the report. We in this party like to find good wherever we can find it. We look across the hall and in the corridor and we find good. We are delighted to find it. It is not easy, but where we can find it, we acknowledge it and we will continue to do so.

With respect to the member's question, as I said, I do not think he will see a major formal report in response to all the recommendations. Rather, the ministers are dealing with the questions as they pertain to their ministries under the capable leadership of the minister, who is forcing the other ministers to deal with these issues.

He is a very strong and articulate spokesman for northern Ontario–I am sure the member would agree–and we hope to deal with all the suggestions that are easy to implement or that can be implemented in as short a space of time as possible. I wish I could give the member a specific date; I cannot, but I assure him we take it seriously and we are moving on it.

Mr. Bernier: I was most interested in the Premier's response about dealing with the specific recommendations and not having a blanket, overall response to the 129 recommendations of Mr. Fahlgren. I am sure the Premier is aware of what is happening in the Red Lake-Ear Falls area with the closing down of the Griffith mine. Some 250 jobs will be wiped out as of April 1 and the municipal taxes of the town of Ear Falls will be reduced by some 50 per cent; a devastating effect will take place in that area.

It is important that this government get on with those recommendations and comment on them, particularly as they relate to the forest resources in the 19,000 square miles of the area lying east of Red Lake, to free up those resources so that some forest activity can take place and provide the needed economic drive. When will we hear about the freeing up of that vast area of forest resources commented on by Mr. Fahlgren?

Hon. Mr. Peterson: I am very much aware of the problem in Red Lake and the Griffith mine. The honourable member will recall that not long ago we were in exactly opposite positions. He was the minister trying to defend that closing and I was in the opposition trying to speak to the people of that area. I am sure he will recall the situation not long ago, as I do.

We do take the report seriously. I do not have a specific time frame. I appreciate the suggestion of the urgency in that matter and I will take the specifics of the matter the member raised in the House today to the minister. He is listening now and I am sure we can get back to the member as quickly as possible about that particular case.

HOLSTERED GUNS

Mr. Sterling: My question is for the Solicitor General. As the minister knows, last week two Brink's guards were gunned down during a robbery in Ottawa. One of them happens to be a constituent of mine. Ontario's policy is that guards' guns cannot be held or drawn unless there is a life-threatening situation, so these men's weapons were holstered when the robbers fired on them.

Will the Solicitor General give us his commitment to review this existing policy with a view to

changing it to make our guards safe from being targets?

Hon. Mr. Keyes: I am prepared at any time to review any legislation enacted by the former government and still on the books, but I am not prepared to give anyone a commitment that review automatically means change. As I have said to the media, that is totally false, and to the honourable member, a review means to assure oneself that the legislation is in the best interest of the client group one serves.

In the matter referred to in Ottawa, we will gladly review the policy. We have already looked at it briefly since that occasion, but we will want to be sure we are providing the best security for the citizens of Ontario and the guards who work in those positions.

Mr. Sterling: The minister knows it is well known by the criminal element of Quebec that the policy in Ontario is more advantageous to them in coming across the Ottawa River and carrying out their robberies in our province rather than in their own. In Quebec, the security guards, the Brink's guards, can have their guns drawn when they are making a pickup of cash from grocery stores, as in this case.

Mr. Speaker: Question.

Mr. Sterling: The minister has argued in the press that this policy he is defending is safer for the customers of the bank. I want him to justify that to me today.

Hon. Mr. Keyes: I am not sure where the member gets his information about the criminal element in Quebec, that it is–

Mr. Breaugh: The minister does not know the member very well.

Hon. Mr. Keyes: I shall not challenge his source of information. In our opinion on this matter–

Mr. Sterling: On a point of privilege, Mr. Speaker: The evidence comes from a coroner's inquest some six months ago.

Hon. Mr. Keyes: Thanks very much for the clarification; it is nice to have the clarification.

Interjections.

Mr. Speaker: Order. The minister, with a reply. Does the minister wish to make any further comment?

Hon. Mr. Keyes: I would be happy to make one but it appears there is no interest in listening to a reply.

Simply, the matter of guards and the drawing of guns has been reviewed on many occasions. The element of surprise is always with the criminal element. A guard carrying a gun when going into a grocery store or wherever to make a pickup is more of a hazard in our opinion than if he left the gun in his holster. People working as guards are always subject to danger and they know that when they take on that role. We feel that in our role of protecting the citizens and the guards, the current policy is reasonable. We are, however, definitely reviewing it.

HIGHWAY EXTENSION

Mr. Laughren: My question is for the Minister of Natural Resources concerning proposals by his colleague the Minister of Transportation and Communications (Mr. Fulton) to extend Highway 89 through the Keswick marsh south of Lake Simcoe.

Is the minister aware that to save approximately 13 minutes of driving time, his colleague is prepared to destroy one of the most important wetland areas in southern Ontario, and one, I might add, that the Ministry of Natural Resources has spent 44 years protecting? Would the minister assure us that he will not allow the Minister of Transportation and Communications to extend Highway 89 through the Keswick marsh?

2:40 p.m.

Hon. Mr. Kerrio: The member is aware we are having a study of the wetlands throughout Ontario that will be presented here in the very near future, so I do have a very responsible position relating to the wetlands. I am certain that if the Minister of Transportation and Communications is anticipating building a highway, it will be put to the proper environmental assessment. That is the process accepted here and on all sides. I have to accept the fact that the process will be adhered to and that the minister will do what is in the best interests of the people of Ontario.

Mr. Laughren: I am glad the minister reveals he does not know what he is talking about because it makes my supplementary a little easier. Does the minister not understand that the Minister of Transportation and Communications has already had a ministry environmental assessment? The ministry investigated seven possible routes for the highway and all seven of them went right through the marsh.

Will the minister now say without any further delay, without going through a further environmental assessment, that he will require the Ministry of Transportation and Communications to investigate routes that do not go through the Keswick marsh, which by everyone's agreement

is one of the most important wetland areas in the province?

Hon. Mr. Kerrio: In response to the question, I am certain the honourable member understands that the minister has gone through the proper process and has done everything necessary to comply with the best interests of that particular area. If the member had any commitment to doing the right thing, he could have appeared at those hearings and put his position forward at that time. We had the necessary hearing in place. It was done, and the minister very properly is doing his job in the way he sees fit to do it.

Mr. Gregory: The minister has mentioned that the Minister of Transportation and Communications would normally have gone through the process of hearings on the Environmental Assessment Act. Can the minister assure me this has been done?

Hon. Mr. Kerrio: I am sure the honourable member was here during the time that a former Minister of Transportation and Communications was charged because he did not do that very thing. I am absolutely certain, without even talking to the minister, that he has done the right thing, that he knows what he is doing and that he is running that ministry in the best interests of the people of Ontario.

Mr. Timbrell: If he has not, he will be charged. Is that right?

Mr. Gillies: Somebody cut the minister down; he is choking.

Mr. Speaker: Order. The question has been dealt with.

JOB SECURITY

Mr. Bennett: Some weeks ago I asked a question of the Minister of Industry, Trade and Technology and I would place it to him again today. I indicated to him at that time that Petro-Canada was changing or transferring some 250 head office jobs from this province and this community to Calgary. I made it very clear to the minister that we were rather disgusted with the action that was being taken. I asked the minister what process he had gone through to secure the information as to why these jobs were being transferred to Calgary. The information came from the minister that he would inquire and investigate the situation and report back to this House. It is now some four or five weeks later and we still have not heard.

Would the minister like to report to the House today his findings from the investigations with the executive of Petro-Canada?

Hon. Mr. O'Neil: Yes. We have been looking at that along with the Minister of Labour (Mr. Wrye). It is hoped that as many jobs as possible can be retained here in the city and in Ontario. Some of them will be lost through attrition and some of them will be forced to move out west.

Mr. Bennett: I am listening, and trying to take from the minister's answer whether he did or did not speak to the executive of the company and whether, when he says there will be some replacement of jobs, he is referring to Petro-Canada or referring just to somebody else who is going to come in and replace these jobs. The minister's answer did not come to the point of whether he spoke with the executive of Petro-Canada, reviewed why these jobs were going to the west and whether there was a reason for not retaining them here in eastern Canada.

Hon. Mr. O'Neil: As I have said to the honourable member, we are interested in keeping as many jobs as we possibly can in Ontario. It was the same during the previous government's time; it lost jobs when Shell made many moves out west. Those things happen from time to time. We hate to lose any jobs out of the province.

SOCIAL ASSISTANCE

Mr. R. F. Johnston: My question is to the Premier. Yesterday I asked him a question at the end of question period about the signs out there that the safety net for the poor in this province is in severe trouble and needs to have a major public review.

At the beginning of question period, I sent him an open letter, with a copy to the Minister of Community and Social Services (Mr. Sweeney), suggesting that a task force of some kind, or a select committee, be established by February this year to report before the end of the coming year.

Will he please give me his response to my suggestions and tell me whether I will hear from him shortly about whether he and his colleagues think this is an appropriate thing to do?

Hon. Mr. Peterson: First, let me congratulate the honourable member for moving with such haste. He brought this question to my attention yesterday. I appreciate it; it was a thoughtful question. Today he sent me a letter saying, "I apologize for the delay, but here are a few ideas." I would like to congratulate the member.

Interestingly enough, I was discussing this morning with a person whose name I cannot share with the member at the moment, though it is someone who is highly respected in this province–

Mr. Yakabuski: Kruger.

Hon. Mr. Peterson: Him, too.

This person is highly respected in this province and is concerned greatly about this issue. I was talking to him about the possibility of looking at some kind of approach to trying to get a better handle on it, trying to put some definition on what kind of inquiry or approach we could take to the whole matter. I have not had an opportunity to discuss it with my cabinet colleagues or with the minister, as I will be doing in the not too distant future. However, I am not in a position to respond to the member's specific request today.

I will continue to discuss it, as I said. I have certainly not dismissed it from my mind. It is an important issue; it is a big question. The cabinet will have to decide whether it can be approached and substantial results gleaned in this way. It is not as if we have any difference of opinion with respect to the seriousness or the reality of the problem; it is a question only of approach. Perhaps the member will give me the liberty of discussing it with my colleagues.

Mr. R. F. Johnston: I appreciate that. Will the Premier take very seriously the element of my proposal that calls for the involvement of the poor themselves in part of this process; that this not be a bureaucratic decision-making process between the municipalities, for instance, and the province, but rather that it ensure participation by the poor? Will he therefore please take very seriously into consideration the idea that grants should be made to organizations of the clients of social assistance in this province so they can participate in this process in an active way and have their say about what is the reality of being poor in Ontario today?

Hon. Mr. Peterson: I will take all the suggestions of the member very seriously, as I always do.

Mr. Cousens: May I take it then that the Premier will include the member for Scarborough West (Mr. R. F. Johnston) in his deliberations?

Hon. Mr. Peterson: That again is a useful suggestion. I must say that if the member for Scarborough West had a shave he would not look the way he looks today, he would not even look as though he qualified.

However, I always take his views under consideration and I will take the honourable member's new-found concerns into consideration as well. If he has anyone else over there who cares about these issues, then I will be delighted to have his ideas as well.

Mr. Runciman: It is interesting to know that anyone with a beard apparently looks like a candidate for social services.

2:50 p.m.

ONTARIO FILM REVIEW BOARD

Mr. Runciman: My question is for the Minister of Consumer and Commercial Relations. I want to give the minister a break and not ask him a question about insurance. Perhaps he can be more forthcoming.

As I indicated yesterday in the House, seven members of the Ontario Film Review Board were denied reappointment in a very unceremonious manner on or about New Year's Eve. Will the minister be good enough to explain to the House today why they were not reappointed and why the failure to reappoint them was handled in such a shabby manner?

Hon. Mr. Kwinter: I said yesterday that the member was misinformed and I will say it again. Of the seven people he referred to in his news release, three vice-chairmen had their terms extended from August 31 to December 31; three appointments expired on August 31 and one on November 9. These are normal, regular appointments. The decision to reappoint people is made by the cabinet. That is all there was to it.

Mr. Gillies: Bring in the Grits. Everybody gets a red tie.

Hon. Mr. Bradley: Everybody gets a chance now.

Mr. Speaker: Order. You are just wasting the members' time.

Mr. Runciman: I do not really believe the minister expects anyone to swallow that line. For his information, members are appointed to the board for one-year terms. They are usually and traditionally renewed at least twice and due notice is given for termination. These members learned of their fate at the last minute. One, Mr. Guy Upjohn, reported to work yesterday only to be sent home. If that is not shabby, I do not know what is.

Will the minister confirm today that the intent of this purge of well-qualified and experienced board members is a blatant move to install individuals yearning for a spot at the trough of Liberal patronage?

Interjections.

Mr. Speaker: Order. The question has been asked. Maybe you do not want to hear the answer, but I do.

Hon. Mr. Kwinter: In the case of Mr. Upjohn, his term of office expired November 9;

strange that he just found out on January 6 that his term had expired. With respect to the three vice-chairmen, we have not addressed that as yet and there is nothing that says they will not be reappointed. We are not saying they will be, but there is nothing to say they will not be. This is the normal course.

To suggest that appointments are automatically renewed is silly. Every time an appointment is made, the person is given due consideration and is looked at as far as his qualifications are concerned. A great deal of investigation goes on. That is how an appointment is made, so that everybody in the province can have a chance to participate.

LANDFILL SITE

Mrs. Grier: I have a question for the Premier concerning the landfill site known as Salford in Oxford county, with which he is very familiar. Before last May, the Premier called the decision of the previous government to allow that landfill to proceed a travesty of the system. After taking office, he promised to review it. On October 31, in response to questions from me, he promised an announcement shortly and said he would be back to me as soon as he could. In view of the personal concern he has expressed about this problem and the fact he himself made it an issue last spring, why has there been no announcement or decision?

Hon. Mr. Peterson: The honourable member will be aware that it is not an easy issue. She is quite right; her recollection of history is absolutely correct. I disagreed with the way the former government handled the issue. However, she is aware that with that issue, as with many others, things have gone wrong. A lot of work has been done. I think more than $1 million, perhaps almost $2 million, has been expended–I could be wrong in my facts–on site preparation. There have been some new engineering studies and that kind of thing.

If we were at the same position we were two years ago, obviously I would have made the decision that I said publicly I would make; but now we have the embarrassing situation where things have transpired that make it infinitely more complicated than it was then. That being said, after our last discussion, I asked the Minister of the Environment (Mr. Bradley) to review the situation and it is in his hands at the moment.

Mrs. Grier: Would the Premier not agree that there are three options facing him and his government on this situation? He can stop development of the site and call for a new hearing; he can confirm the previous government's decision, which overruled the consolidated hearings board; or by inaction and failure to make a decision, he can de facto allow an unsuitable landfill site to continue to be used. Will the Premier tell us which of those options he favours?

Hon. Mr. Peterson: I want to thank the honourable member for her multiple-choice question. They are becoming very fashionable in this House. We chose the route of looking at the situation, given the the new engineering and the new realities of how much has been expended on that issue. As I said, the honourable minister is reviewing the matter and I expect a decision very shortly. Now that the member has reminded me again today, I will bring it to his attention. I am sure he will be very forthcoming in his deliberations.

MULTICULTURAL GRANTS

Mr. Leluk: My question is to the first Minister of Citizenship and Culture; there are not too many ministries that have two ministers, so I have to designate between the two. Will the minister tell this House how much money over and above the current available funds have been requested by nongovernmental organizations under the multicultural service program grants in the fiscal year 1985-86?

Hon. Ms. Munro: I will take that question under advisement and get back to the honourable member at the earliest opportunity, so that I will not be accused of being inaccurate. I thank him for the question.

Mr. Leluk: If I could ask the auxiliary minister, possibly he would have an answer to the question.

Mr. Speaker: Order.

Mr. Leluk: I would like to ask a supplementary.

Mr. Speaker: I presume you want some additional information.

Mr. Leluk: Yes. As the minister is no doubt aware, funding requests for multiculturalism and citizenship base program grants exceed the existing budget. Under the Progressive Conservative government, the 1984-85 base grants increased by 22 per cent from 1983-84 and the 1985-86 base grants increased by 72 per cent over 1984-85. Given these facts, will the minister assure this House that these base program grants will be increased under the Liberal government in order to alleviate any

reduction in individual grants being awarded to nongovernmental organizations?

Hon. Ms. Munro: To the best of my knowledge, the grants awarded in 1985-86 have not seen any decrease; they have been increased.

Interjections.

Hon. Ms. Munro: I am sorry, I do not know where these other questions are coming from. Have I answered your question?

3 p.m.

SHORELINE PROPERTY ASSISTANCE PROGRAM

Mr. Hayes: My question is to the Minister of Municipal Affairs. I raised the concerns of the shoreline residents in Essex county with the Minister of Natural Resources (Mr. Kerrio) as to the inadequacies of the shoreline property assistance program. Those concerns were supported by the Essex Region Conservation Authority on behalf of the shoreline municipalities. I have now been informed that the responsibility for the funding is in the jurisdiction of the Ministry of Municipal Affairs.

Will the minister assure this House that the program will be extended beyond March 1986?

Hon. Mr. Grandmaître: We are currently looking at the extension of the program until March 31, 1986. If there are any possibilities, we will extend it beyond that date.

Mr. Hayes: When can the municipalities expect to hear answers to their questions that were raised with ministry officials at the meeting prior to Christmas?

Hon. Mr. Grandmaître: My staff is still looking at it. I am discussing it with the Association of Municipalities of Ontario. An answer will be provided before the termination of the present deadline.

Ms. Fish: Now that the Minister of the Environment has been back in his seat for some time, I wonder whether he could give me a reply to my question on Puslinch and North Dumfries.

Mr. Speaker: That will be a new question.

GREAT LAKES WATER DIVERSION

Ms. Fish: In view of the Premier's commitment earlier in question period, is the Minister of the Environment prepared to afford the same commitment that no diversion or pumping of water will occur from any one municipal jurisdiction in this province to any other municipal jurisdiction without the express approval of the donor community? I am thinking particularly of no pumping or diversion from the communities of Puslinch or North Dumfries without the specific approval of those communities.

Hon. Mr. Bradley: As the honourable member knows, this government wants to engage in consultation with those who will be directly affected by this policy. I can assure the member there will be full consultation with them so that the best possible policy can be brought forward. That policy, as the Premier indicated in an earlier answer, is one that is not appropriate to diversion.

I assure the member that I will consult not only with the municipalities but also with the member for Brant-Oxford-Norfolk (Mr. Nixon), because he always reflects the viewpoints of the people of the constituency, which he represents very well.

NOTICE OF DISSATISFACTION

Mr. Speaker: I once again remind the House that pursuant to standing order 28, the member for Lincoln (Mr. Andrewes) gave notice of his dissatisfaction with the answer given by the Minister of Industry, Trade and Technology (Mr. O'Neil) and that this matter will be debated tonight at 10:30.

PETITION

ROMAN CATHOLIC SECONDARY SCHOOLS

Mr. Morin-Strom: I have a petition signed by 258 constituents in Sault Ste. Marie asking that the government of Ontario take steps to preserve public education in the province.

REPORT

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS AND COMMISSIONS

Mr. Breaugh from the standing committee on procedural affairs and agencies, boards and commissions presented the committee's 11th report on agencies, boards and commissions and moved its adoption.

Mr. Breaugh: This is the 11th agency review that has been conducted by the committee and it is a very interesting part of our work as a committee. In this review, we have covered the James Bay Education Centre, Old Fort William advisory committee, Minaki Lodge Resort Ltd., Minaki Development Co. Ltd., the Ontario Stock Yards board, the Metropolitan Toronto Convention Centre Corp. board of directors, the Ontario Human Rights Commission, the Ontario Economic Council, the Toronto Stock Exchange board of directors, the board of management of

the Guild Inn and the Canadian National Exhibition Association.

Briefly, we were of a collective opinion that we had tried to do too much and that we would have liked to have seen some of these reviewed in a somewhat different way, but I do look forward to the opportunity of debating the recommendations that are in here.

One of the things the committee did in the course of looking at these agencies was to travel throughout northern Ontario. It is a practice I commend to many members who do not have the opportunity to travel the north quite as often as others. It opens one's eyes to go to a place like the James Bay Education Centre, for example, a facility much needed in a northern community but virtually unfunded, and then to travel across the north to a place like Minaki Lodge where, as best we could determine, the government of Ontario has spent upwards of $50 million for a luxury resort that is unsaleable or virtually so.

When we have our formal debate on this report, other members of the committee and myself will wish to make some extensive comments about what we saw in the north and the other agencies we reviewed.

On motion by Mr. Breaugh, the debate was adjourned.

MOTION COMMITTEE SUBSTITUTIONS

Hon. Mr. Nixon moved that the following substitutions be made: on the select committee on economic affairs, Mr. Barlow for Mr. McCague, Mr. Andrewes for Mr. Taylor; on the select committee on energy, Mr. Jackson for Mr. McLean; on the select committee on the environment, Mr. Baetz for Mr. Brandt; on the select committee on health, Mr. Pope for Mr. Pierce; on the standing committee on the administration of justice, Mr. Villeneuve for Mr. McFadden;

On the standing committee on general government, Mr. Guindon for Mr. Villeneuve; on the standing committee on members' services, Mr. Gregory for Mr. Mitchell; on the standing committee on procedural affairs and agencies, boards and commissions, Mr. Turner for Mrs. Marland;

On the standing committee on regulations and private bills, Mr. Sheppard for Mr. Turner, Mrs. Marland for Mr. Yakabuski; on the standing committee on resources development, Mr. Taylor for Mr. Barlow, Mr. Pierce for Mr. Rowe; and on the standing committee on social development, Miss Stephenson for Mr. Guindon.

Motion agreed to.

ORDERS OF THE DAY

ONTARIO DRUG BENEFIT ACT
(continued)

Resuming the adjourned debate on the motion for second reading of Bill 54, An Act to Authorize and Regulate the Payment by the Minister to Specified Persons on Behalf of Specified Classes of Persons for the Dispensing of Specified Drugs.

Mr. Leluk: I would like to carry on from where I left off last evening with my remarks on Bill 54. I want to point out to the minister that subsection 4(1) brings about a significant change from the current agreement in that it opts in every pharmacy in Ontario. I mentioned that last evening. There is no option for opting out.

What this means is that if this bill becomes law, direct billing to the patient will be prohibited and will constitute an illegal act. This will force the patient, for example, to accept substitute drugs at the lowest cost even though he may be willing to pay the difference in the costs of the two drugs. There are some patients who may opt for a brand-name medication because they have been getting that drug in the past. Their physicians may have more confidence in that medication because they have more faith in the innovative or brand-name drugs than in some drugs from generic houses. There are those who say this is unconstitutional and against human rights.

3:10 p.m.

Subsection 5(2) of the bill would allow the minister unilaterally to set different fees for different pharmacies as well as possibly different fees for the same pharmacy. This has some potential for possible abuse and could create bureaucratic chaos. When we consider there are 1,900 pharmacies in Ontario, there could be numerous dispensing fees throughout this province that the Ministry of Health would have to keep track of.

Section 11 would enable the minister to set fees unilaterally, again eliminating meaningful negotiations on the fees between the professional body representing pharmacy, the Ontario Pharmacists' Association, and the Ministry of Health. There is a feeling on the part of pharmacists that this section should be eliminated if the ministry intends to bargain in good faith for dispensing fees as well as for drug prices.

There are those who view this legislation as discriminating against the profession of pharmacy. The Ontario Pharmacists' Association has objected strenuously to the government arbitrari-

ly establishing maximum dispensing fees without negotiation with members of the profession. It has stated that in the event of an impasse or deadlock in negotiations, the fairest approach would be to refer the fee schedule to binding arbitration, something I am sure members of the New Democratic Party would support.

Bill 54 nowhere mentions the Ontario Pharmacists' Association with respect to the negotiating of fees. The discrimination comes in when we look at Bill 94, which deals with extra billing; it specifically mentions the Ontario Medical Association in the negotiating of fees. I ask the minister why the pharmacists in this province are being treated differently from the medical profession. That smacks of discrimination.

I further understand that members of the medical profession were invited by the minister to participate in drafting the legislation with respect to extra billing and subsequently refused that invitation. As one physician said to me, "Why should we attend our own execution when the only decision we would be making would be whether the government uses AC or DC current to carry out that execution?"

The pharmacists in this province were not accorded the same courtesy. They were not asked by the Ministry of Health to participate in the drafting of Bill 54. Even though they have been on record for years as expressing a desire to be involved in the process of negotiating fees, they were not invited to do so. To me, that is the worst form of discrimination.

The bill is discriminatory in other ways as well. I have tried to contain my remarks specifically to this bill, but I know later today we will probably be dealing with Bill 55, which has not been introduced for second reading at this point. Bill 55 also discriminates against pharmacists in that it requires them to post dispensing fees. No other profession in this province that I am aware of is required to post professional fees. I do know, and my good friend the member for Brampton (Mr. Callahan), who is a lawyer, will know, that at one time the legal profession requested of the government of the day to be able to post their fees and the request was not granted.

Since the Minister of Health (Mr. Elston) has arbitrarily decided to set a maximum dispensing fee for pharmacists, is he going to request his colleague the Attorney General (Mr. Scott), for example, to establish a maximum professional fee for lawyers in this province? For their services, many lawyers charge fees ranging from $50 an hour to $75, $100 and $150 an hour, and possibly even beyond that. Is he going to ask his colleagues in government to set maximum fees for architects, engineers or other professionals?

If this legislation is enacted in its present form, it will have a drastic effect. It will drastically change the course of the provision of pharmaceutical services in this province. Unfortunately, the direction of the proposed legislation is based purely on the supply of the lowest-cost drug available. There is no concern by the minister for how this will affect service to the general public. If pharmacists are not going to receive fair remuneration for their services, we know the services to the public will be cut back. This will take place because they will have to take more time to explain the new legislation.

There are the interchangeable drugs in Bill 55. The pharmacists are going to have to talk to each and every consumer who comes in with a prescription and tell them they carry generic equivalent drugs. The decision as to what is best for him is going to be left with the consumer, and not with the pharmacist, who is a professionally trained individual with the knowledge and background to make these decisions. The decision will not be left with the physician, who is also a professionally trained person; it is going to be left to the consumer.

3:20 p.m.

The pharmacists' time is going to be taken up trying to explain all these things to the people who come into the pharmacies. They will not have time to consult with patients on drug use or to monitor drug use, particularly with people who are elderly, who may be taking four or five different medications and who are not in a position to monitor their own drug use. From time to time, they tend to forget what and how much they are taking, whether they have adequate supplies at home or whether they need refills of their prescriptions.

Pharmacists may be required to cut back on delivery service. They have fairly sizeable overheads; they employ fairly large staffs in most stores. These services may be cut back. I have talked to pharmacists in many small, independent pharmacies who have said to me, "If this legislation goes through, many of us may have to close our doors."

There are many marginal stores in this province, stores whose incomes are somewhat less than those of others, and it is not unusual to see pharmacies close their doors. As I said last evening, I was an inspector with the Ontario College of Pharmacists between 1961 and 1969 and it was not unusual to see as many as 150 stores close their doors in one year. I witnessed

that. I know that recently this has not been the case. It may be that 20 or so are forced to close up for whatever reason in one year. However, that is a very real possibility.

This would mean that in remote areas of the province people would have to travel longer distances in order to get their prescription drugs. If they had been frequenting a pharmacy located some 30 miles away and it had to close its doors, they might find they would have to travel an extra 50 miles or so in order to get that service. That is a likelihood with this present legislation.

I would like to refer for a moment to the penalty section in Bill 54. It says that if convicted for contraventions of the bill, "any director, officer, employee or agent of a corporation who authorizes, permits or concurs in such a contravention by the corporation" would be subject to a $10,000 fine upon conviction. The maximum penalty to be imposed upon a corporation is recommended in the legislation as $50,000.

I personally feel these penalties are excessive and totally unrealistic on the basis of the income of the average pharmacy owner, and particularly those who are employees. We have some 5,800 pharmacist-employees in this province whose average salary ranges in the neighbourhood of $38,000 to 39,000 per annum. When one looks at a possible $10,000 fine, this is not only excessive, it is also totally unrealistic in view of the magnitude of the offence.

I happen to be a pharmacist, a nonpractising one, one who chose politics as a career. In my years with the college of pharmacists, which numbered close to nine, I travelled this province. I have been in every nook and cranny in every pharmacy. Pharmacists are law-abiding citizens. We are not dealing here with criminal elements, and I cannot understand why the minister would propose such excessive penalties in this bill.

I want to say further that if spread pricing of drugs provided the need for this present legislation before the House, the issue of spread pricing could have been addressed by amending existing legislation and there was no need to introduce two bills.

Why was it necessary to introduce Bill 55? We know the present legislation addresses issues that go far beyond the issue of spread pricing. We know there is an intervention now into the cash marketplace with Bill 55 and this is going to have a drastic effect on the innovative drug manufacturers or brand-name drug manufacturers, as we call them, whose drug costs go far beyond the raw drug materials and the manufacturing costs of the drug in question. They have been totally cut out of the Ontario drug benefit program because they cannot compete on the basis of drug costs or prices with the generic drug houses.

The brand-name manufacturers are involved as innovative manufacturers in researching new drugs. Considerable moneys are spent on research and development and on initiating new drug applications, clinical trials for those drugs, the marketing of those drugs, the hiring of staff, promotion through conducting seminars and the like. Therefore, they just cannot compete on price alone. On the other hand, the generic houses do not involve themselves in these areas; they are basically the copiers of drugs that have already been placed on the market by the innovative drug manufacturers. This creates a difficulty when the innovative drug manufacturers cannot compete on price and therefore, as I say, are excluded from participating in the Ontario drug benefit program.

I want to go back to another area of concern I have in dealing with the penalty sections. The proposed legislation prohibits the operator of a pharmacy from refusing "to supply a listed drug for an eligible person in order to avoid the operation of a provision of this act." A person contravening this section is guilty of an offence, as I mentioned, and on conviction liable to these excessive penalties. I believe it is important to emphasize–

Mr. Gillies: On a point of order, Mr. Speaker: My colleague's comments are most illuminating and it might be appropriate if there were a quorum present to hear them.

Mr. Leluk: They are not interested in hearing what we have to say. That is open government on that side.

The Deputy Speaker ordered the bells rung.

3:34 p.m.

Mr. Leluk: I am glad to see that the Minister of Health has rejoined us to hear what we have to say. Had he seen fit to consult and discuss this with the members of the pharmacy profession before the legislation was introduced, we would not be going through all this at the moment.

To get back to my remarks, I was saying it must be emphasized that there are situations where pharmacists may, for whatever reason, through their own professional discretion choose not to fill a prescription.

One of those reasons might be, as I mentioned yesterday, that there are forgeries. There are people who try to obtain drugs they need to substantiate their habits through forged prescriptions. This is not an uncommon practice, particularly for narcotic drugs.

Mr. Grande: The member is repeating himself.

Mr. Leluk: We are getting into something else that I did not mention.

The Deputy Speaker: Order. Will the members in the Progressive Conservative Party along the back row please take their conversations elsewhere.

Mr. Leluk: Thank you, Mr. Speaker. There are prescriptions in which the drugs that are being prescribed are contra-indicated for patients who may be on other medications.

I did mention that there is a practice called double-doctoring. The headline of a Toronto Star article in November 1985 read, "1,500 Charges Laid as Police Tackle Pill-Buying Racket."

The article states: "Fifteen hundred charges of double-doctoring have been laid against some 225 people for allegedly obtaining prescription drugs illegally in Metro. People who double-doctor get narcotic prescriptions from more than one physician within a 30-day period without informing the physicians of the other prescriptions."

Pharmacists receive prescriptions of this nature. As members can see, with 1,500 charges laid and 225 people involved, this is a common practice, and pharmacists are trained to look out for these types of practices. What we are doing in this legislation is taking away the pharmacist's professional discretion not to fill a prescription and not be a party to some criminal offence. That is what this legislation says.

I do not know who advised the Minister of Health when this legislation was put together, but I say again that it is ill-conceived legislation, it is not well-thought-out legislation. I hope that when this legislation goes to committee the minister will take stock of some of the remarks that have been made here in this House, not only by members on this side but also by members of the profession, who no doubt have written to him, and by others, including consumers who may have expressed their concerns to him.

3:40 p.m.

I want to go back for a minute to the openness of this government in its methods of consulting and discussing. I would ask the minister what he was doing in the months of July, August, September and October. He did not introduce his legislation in this House until November 7, knowing full well that he was going to have to come up with a new drug formulary which was supposed to be ready by January 1 of this year.

He talks about having spoken to the pharmacists, the drug manufacturers, the drug wholesalers, the consumers and the dentists. Yet when I speak to these various groups, organizations or professional associations, they say there was no consultation and no discussion.

I mentioned yesterday that a member of the Pharmaceutical Manufacturers Association of Canada presented me with a flow chart, a timetable, of how the minister and his staff consulted. A letter from the minister, dated November 6, was received by the PMAC asking it to consult on the new legislation and, lo and behold, the very next day, November 7, Bills 54 and 55 were introduced for first reading in this House.

The PMAC met with ministry officials to exchange documents that same day, focusing on the Ontario Drug Benefit Act, Bill 54. It was not aware that Bill 55 was going to be introduced or was introduced. On November 13, the PMAC called a general meeting to discuss the impact of this legislation on its association and on some 43 brand-name drug manufacturers in this province.

There was a Conservative convention on November 14, which ended on November 17. Thursday, November 21, was originally planned for second reading of the legislation. A letter, dated November 27, from the Ministry of Health was received by the drug manufacturers asking for unprecedented competitive sales information.

On December 3, the ministry called a liaison meeting with the Ontario Medical Association, the Canadian Pharmacists Association, the Canadian Drug Manufacturers' Association, the Pharmaceutical Manufacturers Association of Canada, etc., and on December 5, we had second reading. That was the timetable the members of the PMAC received.

Can the minister tell us where was the consultation with the drug manufacturers during that time? Again, there was none. The letter sent from the Ministry of Health, dated November 27, was headed, "Urgently Needed Pricing Information for the Ontario Drug Benefit Formulary, January 1986."

This was further to a letter, dated November 7, 1985, that was sent to all drug manufacturers by the Minister of Health. Included with that letter was an information package concerning two new pieces of legislation, the Ontario Drug Benefit Act, 1985, and the Prescription Drug Cost Regulation Act, 1985, which were introduced in the Legislature on November 7, as I mentioned.

This letter states: "You are also informed that the government of Ontario plans to have the legislation in place by January 1986. In order to compile listings of drug products under the new acts and a price listing for Ontario's drug benefit, and in order to have this in place by January 1986, the ministry requires the urgent co-operation of your company. Pricing information for the ODB formulary plus sales data on average selling prices for all drug products listed or proposed for listings are required.

"Listing as a benefit in the formulary is contingent upon the manufacturer providing the required sales data. The ministry reserves the right to delist drug products or to establish alternative reimbursement amounts for drug products considered to be essential therapeutic benefits."

"These forms must be completed and returned before 4:30 p.m., Monday, December 9, 1985."

The drug manufacturers felt this was a threatening letter, that if the information was not provided, their products would be delisted from the formulary. Is this the form of openness and the method by which the Minister of Health proceeds to have discussion and consultation with the members of the drug distribution system in Ontario? Is it by sending out threatening letters requesting information and saying if they do not provide it by such and such a date, there is a possibility their products will be delisted and the ministry will decide whose products are listed? That does not sound to me like consultation and discussion.

It is my personal feeling that the minister procrastinated, doing nothing for a four-month period between July and October, and then brought forward his legislation in haste on November 7, hoping to railroad the legislation through the House before the Christmas recess. However that was not the case. This legislation is much too important to be railroaded through the House without going to a committee for a full and open discussion by all parties concerned.

It took this party on this side of the House to make that commitment to the pharmacists of the province. It certainly was not the Ministry of Health.

Hon. Mr. Elston: Wrong again.

Mr. Gillies: And to the people of the province.

Mr. Leluk: That is right, to the people of this province.

Mr. Gillies: We had to stand up for the people yet again.

The Acting Speaker (Mr. Morin): Order.

Mr. Leluk: Someone has to stand up for the people, because that government is not doing its job.

Mr. Mancini: How can the member say that with a straight face?

The Acting Speaker: Order.

Mr Gillies: You cannot ramrod everything through.

Mr. Leluk: That is right. The minister has stated that his legislation would lower drug costs for the government and for the consumers of Ontario. The Ontario Pharmacists' Association is of the view that this is not so. The proposed legislation will more than likely lead to higher drug prices in Ontario, maybe not initially but within a 12- to 18-month period. Pharmacists know that is going to be the case.

Mr. Callahan: How?

Mr. Leluk: They have had battlefield experience. They know.

The government talks about actual acquisition costs.

Mr. Callahan: I am listening. Explain it.

3:50 p.m.

Mr. Leluk: We will explain it.

Mr. Davis: He could not understand it anyhow.

Mr. Leluk: That is right. The member is too busy calling pharmacists peanut vendors. He is not interested in what they do as a professional group anyway.

The Acting Speaker: Order. This is not a question period. Address your remarks to the chair.

Mr. Leluk: No, it is not. It is an education period, Mr. Speaker. We are trying to educate the government.

Hon. Mr. Elston: The member is stretching it.

Mr. Leluk: Stretching?

Hon. Mr. Elston: He is running short on a few facts. He had better go back and check.

Mr. Leluk: I think we have the facts. I want to read into the record a letter I received from a pharmacist in London, Ontario, who spent a number of years on the council of the Ontario College of Pharmacists. This gentleman was also a pharmacist in one of the largest hospitals in Canada. He expressed serious concerns about both bills. I have already discussed many of them, so I am not going to repeat them.

However, he did have a footnote. This is a copy of the letter he sent to the minister.

"It is interesting, with all due respect to you, the new Health minister who has no previous medical or pharmacy education, that after a few short months in power you are now an expert on patient health care in this province. I certainly wish I were as proficient in law as you are in pharmacy matters.

"When you, Mr. Elston, attain the age of 65, and it may be necessary to take medication with no choice of quality of that medication, you may have to take the same kind of generic garbage that you are forcing down the throats of the senior citizens now. Should this eventuality occur, it will serve you right if you do not respond to treatment.

"During my years of employment, I was engaged in the area of retail pharmacy and latterly as a director of pharmacy in one of the largest hospitals in Canada. I am aware what generic drugs will or will not do for patients.

"There were very few generic drugs in the hospitals where I worked. Both the pharmaceutical and the therapeutic committees in that hospital would not put them in the formulary.

"When I voted in the last provincial election, I must have been demented because I voted for a change for the better, not for a socialistic state. I will, however, examine my priorities before voting in another election, for it seems that politicians only have time for their own ego trips and not for the concerns of the public and their welfare."

There is a remark here for the New Democratic Party that I will mention.

"The NDP is a party who are supposed to be for the working man and his welfare, but I cannot understand why they are supporting this type of legislation, which is oppressive and discriminatory against freedom of choice and patients' desire for better health care in this province."

An hon. member: Shame. Shame.

Mr. Gillies: Beating up the old people.

Mr. Breaugh: What can I say? I stand accused and I would like to defend myself.

Mr. Leluk: You have been tried and found guilty. You stand convicted.

I have another letter here from a pharmacist in Kingston, in the eastern part of the province.

"We urge you to vote against the Ontario Drug Benefit Act and the Prescription Drug Cost Regulation Act presently before the House of Parliament. These bills are socialistic to an extreme not before seen in the province of Ontario. They strip away the professional rights of pharmacists and remove the powers of the Ontario College of Pharmacists to regulate the profession.

"The bills are the result of unilateral action by the Liberal government without any input from the profession of pharmacy.

"This is especially evident in some of the clauses which make the act unworkable in its present form."

Mr. Callahan: Mr. Speaker, on a point of order: I would not want this member to think I am playing favourites as between him and the member for Cochrane South (Mr. Pope), but I refer you to rule 19(d)(4) of the standing orders on which the Speaker ruled against the member for Cochrane South unnecessarily reading from verbatim reports or any other document. I suggest this is out of order.

The Acting Speaker: I recall vividly that I did bring the member for Cochrane South to order on that point, but he was reading at great length. The member is not doing that in this case. He talks, reads his letter and then talks again. Please continue.

Mr. Leluk: I am delighted the member for Brampton (Mr. Callahan) can read–

Mr. Gillies: He may read, but he cannot understand.

Mr. Leluk: –but he does not understand much of what he reads.

Some of this information contained in these letters is very pertinent to the bill before the House.

Mr. Callahan: On a point of privilege, Mr. Speaker: With regard to the comments made by the member, he has no proof I cannot read.

Mr. Leluk: No comment.

Mr. Gillies: There may be no proof, but there is a lot of evidence.

Mr. Leluk: Yes.

This pharmacist is expressing a concern that many pharmacists throughout this province have been expressing with regard to Bills 54 and 55 before the House. He says the net result will be higher costs to the retail pharmacists and a loss of professional image because of the posting of fees and the emphasis on the price this will create.

I said earlier that the whole thrust of the legislation is on the lowest drug cost. The minister was out of the House when I said there was little concern expressed for the protection of the consumer and the quality of service the consumer would receive if this legislation were enacted. The concern is one of drug costs, and that is very wrong.

We have seen what has happened in Britain with socialized medicine. What has happened is that the person who pays the price in the end is the consumer, but he does not receive the service.

The member for York Mills (Miss Stephenson), a medical doctor, mentioned in this House that it is an assembly-line operation where people line up to see a physician. There may be 75 patients that physician has to see in one day. They walk in, stick out their tongues and say, "Ah." He hands them a prescription and says, "Come back in 30 days."

That is the kind of service one gets with socialized medicine. In the long run, the consumers as patients will pay the price because they will not get the quality of service.

Mr. Mancini: Does the member want to abolish the Ontario health insurance plan?

Mr. Villeneuve: The member for Essex South (Mr. Mancini) knows that what the member is saying is true.

Mr. Leluk: Yes. The member was in England recently. I know he was ill.

This is a legitimate concern. The minister has not expressed any of these concerns for consumer protection.

Hon. Mr. Elston: That is not right.

Mr. Leluk: It is true.

4 p.m.

In Bill 55, for example, the consumer who has no professional training is going to be making the professional judgement on the medication he accepts from the pharmacist–not the physician, who has the professional training, and not the pharmacist, who has been trained.

The onus is going to be on the consumer to decide what medication he is going to take. Naturally, he is going to opt for the lowest-cost drug. That is natural. If it is cheaper, it has got to be better because it does not cost as much. However, that is not necessarily the case. What might be cheaper may not be as good in quality as brand-name medication or some other medication.

What protection is that consumer going to have under Bill 55? No protection. The pharmacist and the physician are going to be exempt from any lawsuits if anything goes wrong, if the patient should suffer an illness, end up in the hospital or pass away, unfortunately, because of the medication. It is the consumer who is not protected under the legislation. What consideration did the minister and his staff give to consumer protection, and why is the cost of the drug the only thing that seems to concern this minister?

There is another area of concern, and that is the one-month supply. The minister will recall that it was his deputy minister who in 1974, I believe–I am not sure of the exact date–brought in this business of the 30-day supply of drugs as a cost-saving device to the government. This legislation is going to open that up even further and pharmacists are going to dispense three-month or four-month supplies–whatever the prescription calls for. They are going to have to fill the total quantity of medication or drug that is asked for.

As someone who has been involved with the college as an inspector and who has travelled this province and seen cases of drug abuse and the potential for drug abuse, I have to tell members it is not unusual to see people who have accumulated fruit jars full of drugs that have potentially addictive properties. Drugs tend to be shared by people with neighbours and friends when they have large quantities. Someone comes along and says, "I have an ache here or there," describing a symptom that resembles something the patient has, and the next thing you know, there is a sharing of medication.

There are accumulations of large quantities of drugs, which are going to be very costly to this government. When we look at the fact that Ontario has an ageing population and that elderly people may be taking as many as four, five or six different medications–and those drugs are free, because the government pays for them–it is not uncommon to see large quantities of drugs accumulated by patients. The potential for abuse is great.

It would be much cheaper to pay the pharmacist an additional dispensing fee to fill a second or third prescription than to go about it in the manner the minister has put forward in Bill 55.

I would like to refer to another letter, one that was received from a retail pharmacist in Petawawa, who expresses concern about the remuneration system. He says:

"There is a finely tuned balance of restrictions and latitudes which has been adjusted over the years to provide fair compensation to the pharmacist, fair value to the taxpayer and consumer and enough leeway to enable the pharmacist to be competitive."

That is what our system is based on: competitiveness in the free marketplace.

"The new legislation proposes to keep the old restrictions, throw out the compensating devices and permit the minister to set prescription fees

without any negotiation. With this kind of power, the minister could for political gain regulate pharmacists right out of any compensation at all."

That is why I posed the question last night. Bill 54 does not mention the word "pharmacist" anywhere. It talks about the operator of a pharmacy like the operator of a garage or something of that nature. Does this mean in effect that the Ministry of Health is looking down the road to opening a central depot for drug distribution in this province and doing away with the profession of pharmacy altogether? Maybe they could get a couple of mechanics from some garage to go in and do the dispensing for them.

There is a total disregard for the professional training and knowledge of people who spent four years at a university and a year of internship and who over the years have been providing a very valuable service to the people of this province.

Mr. Breaugh: I cannot stand listening to my friend's speech, but the pause is even worse.

Mr. Leluk: I am sorry. It is the pause that refreshes.

Anyway, this pharmacist says: "In fact, the ministry seems to have acted in bad faith on this issue and has adopted a Hitleristic stance"–my gosh–"possibly in revenge over the shenanigans of some generic drug companies, a matter over which the community pharmacists have no control."

I guess the pharmacist is referring to the lawsuit brought against the Ministry of Health by one generic drug house. What he is saying is that the 7,000 pharmacists in this province are going to pay the price because of the shenanigans of one generic drug company.

In closing my remarks on this bill–

[Applause]

Mr. Leluk: I will be back for Bill 55. The member for Brampton (Mr. Callahan) is applauding. He is not throwing peanuts; he is just applauding.

Much of the confrontation that currently exists between the government and the members of the pharmaceutical profession could have been avoided very readily had the minister gone about introducing this legislation in the House in a proper manner. Had he chosen, prior to bringing it forward, to consult and discuss the legislation with members of the pharmacy profession, the drug manufacturers' association, the drug wholesalers and the consumers, this kind of confrontation could have been avoided.

4:10 p.m.

I have said before and I will say again that the Ontario Pharmacists' Association, which is the professional body for pharmacists in this province, is on record as having stated time and time again its willingness to sit down and take part in negotiations. If the negotiations break down, they have suggested the matter should go to arbitration. I know my friends here to the left would support that.

Mr. Breaugh: The member has no friends over here.

Mr. Leluk: Oh. Pardon me.

I repeat: Why was it necessary to go about it in the manner in which it was done? Legislation was brought forward that had been put together in haste and was ill conceived and ill thought out. It is doomed to failure if it passes this House in its current form. There is just no way this legislation will work.

The legislation will not protect the consumers, as I am sure it was intended to do. They will be paying higher drug prices in the longer term. There will be no protection for them as far as services and what have you are concerned. I have gone through those things before and I do not want to be repetitive.

It is not good legislation, and I hope the minister and his senior staff are going to take a good, long, hard look at what they have put before the House, come to their senses and make the amendments that are required for good legislation.

Mr. Breaugh: I have one little question before I begin this afternoon. Exactly who over there is carrying this bill through the House at this moment?

Mr. D. S. Cooke: The parliamentary assistant.

Mr. Breaugh: There we are. Okay. It is helpful if there is somebody with whom we can identify.

We do support this bill and its companion bill, and it is worth spending a little time this afternoon to say why.

First, concerning the bills themselves, although I read in my newspaper and in letters from pharmacists around Ontario that these are very evil things, it strikes me that they are not. In fact, it strikes me that this is an issue the previous government knew about for some time and had wrestled with in various forms. It seems to me, as someone who used to be a Health critic of that government, that it simply said: "There is too much pain involved in this for the government. We know there is a little ripping off going on in

the system, but it is not worth bothering with. Just pay these people all the money they want and leave it alone."

The previous government did not want to stir up the pharmacists. That has some credibility, given that the pharmacists have been very busy stirring things up themselves. The previous government seemed to have adopted the attitude that if things were wrong in this program–and it knew there were–it would simply rather not deal with them, and so it left them alone.

I recall that about a decade ago, when I was the Health critic, we raised instances where pharmacists were obviously charging too much and where there were problems. We appreciated that in the industry the problem was not necessarily the pharmacists; the problem was often the drug companies themselves and the way they sold their products through the pharmacies.

There were problems in the area, and even pharmacists to whom I have talked in my own constituency start by saying that. They knew things were wrong; they knew there were problems that ought to have been corrected. The fact that the previous government chose not to do so made them a little happy, I suppose, in the sense that they got a little extra money. However, everybody who worked with the previous program knew there were flaws in it that should have been corrected. They just never were.

Maybe it is an unusual idea for a government to look at a program such as this one, which has some flaws in it, and actually decide to try to correct them. Maybe this government should be criticized for being a little courageous.

There is an aura of strangeness around this too because the antagonists here, the government of Ontario and the pharmacists themselves, start by agreeing that the system is flawed and that they ought to correct it. Both sides agree on that. From that point on they seem to take completely divergent points of view about how it can be corrected and how nasty the other side is. Then they come back together and say, "If we have full public hearings on this, we will be able to work it out."

Something is screwy. If everybody agrees there are flaws in the system, and that is what I hear, and everybody agrees there ought to be full public hearings to work it out, why are we not doing that? Why is there this long delay? Why are these bills not sent to a committee? Why do we not bend over backwards to get them there quickly? I believe it costs us about $1 million a month or so while we dilly-dally around and place advertisements in newspapers and delay the bill. Why do they not just go there and let everybody get together? If heads need to be knocked, let them be knocked. It seems to be a straightforward process.

Let me make a comment or two about the minister. As long as I have known him, which is since he has been a member, he has never shown any signs to me of being as evil as the current ads in the newspapers portray him. I have always found the Minister of Health to be a very conscientious, hardworking person–a little too serious for my taste, but to each his own. It seems to me the minister got bushwhacked by his staff. I believe there was a commonly and reasonably well understood problem here and the minister probably said, "Give me something I can do that is my own initiative and is not part of the accord–some wrong that should be righted."

I know several of the minister's senior staff people, and I would accuse them of being on occasion a little on the arrogant side, of being a little hardnosed, of being not quite as consultative as I would like them to be and of not always being as open, warm and loving as senior bureaucrats ought to be. They are a little tough around the edges, and I believe what they did was to use that toughness on the pharmacists. I believe we are being treated to a lot of hurt feelings.

I got a letter from a pharmacist in Sturgeon Falls last week. Essentially, the gist of his argument is that fascism is just around the corner, that every facet of his life will be controlled and regulated by government, that his total income will be regulated by government, that everything he says and does will be influenced in some way by government. I was feeling sorry for him until I realized that is what my life is all about too. My total income is controlled by the Legislature. Everything I do at work is controlled by the Legislature. It is not that bad. I have had a lot of talks with pharmacists over the phone, in person and in correspondence, and I think something is badly out of kilter.

I read the major ads they have been putting in the newspapers. There is not a whole lot of truth in those ads. I appreciate they are in a disagreement with the government, but I do not for a moment believe that a sensitive pharmacist is not going to take the time to explain the differences in these drugs to a client. The people I deal with in pharmacies in Oshawa are going to do that.

I appreciate that they have not done a lot of that with me over the years. I believe the longest consultation period I have had with a pharmacist

was, "Will that be cash or Chargex?" That is about the end of the consultation. I have not experienced a lot of explanations about these drugs. They take a bunch of pills out of a big bottle, put them into a little plastic bottle, tape on a message from my doctor, hand it to me and I pay the bill. End of consultation.

I know that it is different from the experience of other people. I know they explain to senior citizens, who use drugs more than I do, what the pills are all about and when one should take them. They offer more consultation. However, as a member of the paying public, I have never had a lot of explanation from a pharmacist. Perhaps it is because I do not need it; it is pretty straightforward stuff.

One thing that bothers me a little is that the Ontario Pharmacists' Association had the time, money and effort to go out and hire an ad agency in Toronto to run this campaign. I want to say for the record that I believe they did themselves a disservice when they did that. As one member of the House, I have a lot of empathy for my local pharmacists. I would take the time and effort to listen to them about their problems. I would be more than happy to go to committee and defend them if I thought somebody was doing something wrong to them.

4:20 p.m.

If this was a big campaign to get me to oppose this bill, it failed miserably. I want to tell the members why it failed, because I think it is important. I happened to go to pick up a prescription for my wife at my local pharmacy. Attached to the little bag of medicine was a little memo from my pharmacist, from a pile of about 200 or 300 memos that were there. In essence, it said, "Vote against Bill 54 and Bill 55 because they are bad." It did not tell me why they were bad. It did not tell me what the bills were all about. It did not even give me a clue as to what the argument was about. It simply said, "The government of Ontario is evil and doing dirty things to your local pharmacist. Boo, hiss."

That is not much in the way of information. I read their newspaper ads. I have to say there is a lot of hyperbole in the newspaper ads. That is being polite about it. I could give a more accurate description but you would not let me get away with it in here, Mr. Speaker.

I want to go through the ad because I think it is worth mentioning. It says, "Another Dose of Government Intervention." That is true; it is. But when the government intervention consisted of a cheque the pharmacist did not complain. The cheques have been rolling out to them in fairly large numbers for a long time and I did not hear one word that they objected to receiving government cheques. They liked that part.

The hard truth is, if one is going to get paid for services by the government of Ontario, the government has–dare I say it–the right to have a little bit of say on what one gets paid. I do not think that is unreasonable.

The second little headline here is, "As of January 1, your personal pharmaceutical records are no longer a secret." Aside from being untrue, it is unfortunate to put it in those terms. I do not believe either one of these bills does that. I do not for one minute believe there will be gross publication of pharmaceutical records anywhere in Ontario, and it is unfortunate that someone would be paid to run an advertising campaign that puts out wrong images, wrong facts and wrong information. If the pharmacists' association wanted to run a public relations campaign which said, "We are being treated unfairly in these negotiations by the government of Ontario," I would say: "You are probably right. Some of you probably are. Let us try to get that unfairness out of the system."

But to put out a public advertisement that purports to say that as of January 1 all of your personal pharmaceutical records will be public knowledge, is not right. That is wrong. It bothers me that someone actually paid an advertising company to put out that wrong message.

The ad says, "The government creates a future where pharmacists can no longer give you advice and personal service." I suppose that is an opinion. Again, I think it is a wrong opinion. The pharmacists I know, no matter what government program is running, will provide advice, care and consultation to people who need it. I know these people. They are not hard, cruel people. Many of them think of themselves as business and professional people combined and that is the way they see their role in life, but they are not uncaring. If a person comes into their store to get a prescription filled or needs some assistance, I believe they will provide them with that assistance no matter what government program is running.

The sad thing is that in my community, like many other communities in Ontario, the little corner drug store is fast disappearing and being replaced very rapidly with huge supermarket drug stores-cum-grocery stores-cum-clothing stores. Huge warehouse operations are the trend and the corner drug store is having a little difficulty competing in that marketplace. Most of mine are doing quite nicely, frankly, because of

the government-sponsored health care program that provides seniors with drugs. I believe that program is worth preserving. My dad is 87. He does not use this program very much, but when he does, he needs it. He needs a little bit of help and the government program delivers that.

I believe this ought to now go to committee where that public hearing process can occur. I would hope, frankly, that when the pharmacists' association comes to Queen's Park during the course of those hearings it does not use the public relations firm which designed this ad campaign. I would counsel them, although they probably do not want it and do not need it, to come honestly and squarely before the committee and tell it what their problems are as pharmacists, not as real estate people designing some wonderful ad campaign against the government. That is patently ridiculous. It has absolutely no credibility with me. If pharmacists have a problem, let them tell us what it is and help us to work out a solution.

I believe that could have been done long ago. I wish this had been done four or five years ago when we first became aware that there was a problem of some magnitude. That would have been a better service. I believe this is the kind of problem which did not get better by being ignored; it got worse. We now have an opportunity to correct those problems and to provide the pharmacists with their day in court, so to speak, their chance to appear before a committee of the Legislature and resolve the differences.

First and foremost, the differences can be resolved. The pharmacists will get their day before the committee and their chance to put their arguments fairly and squarely to the members of the Legislature. It is a minority government so there will be the opportunity for the fairest solution to be the final solution. It will not necessarily be what the government is proposing, it will not necessarily be what one political party wants, but one which is fair and just and is seen to be so by all three parties. They will never get a better opportunity for a kind of open court, so to speak, or a chance to state their case and have the resolution put forward.

To get there, these bills have to pass second reading. I hope we are not going to be treated to a long, disjointed dialogue on them. It will not hurt my feelings a whole lot if that happens so long as we get a chance to provide a solution to this problem.

On that basis, the bills are worthy of support in principle. First of all, all one has to do to support them is to recognize there is a problem. At one time or another all three parties in this Legislature have admitted publicly that there are problems with the drug plan. We know that. We know the previous Conservative government said so publicly. It said there were some difficulties. We know that the new government says, "Yes, there are not only difficulties, but we have to move to correct them." We certainly do.

Let us spruce up the bills. Let us get them through second reading debate and let us get them out to committee.

In closing, I would make a little plea. I believe there are many pharmacists who have a legitimate complaint about the bills. That is not to say every one of them does. That is not to say that evil things are about to happen to them. In all of this there has been some unfairness. There has been some unfairness since the inception of the program, not the least of which is the unfairness to citizens of Ontario who have not been eligible for the drug plan at all. There is an unfairness in that, not the least of which is the fact that there is some unfairness even to those citizens who are and have been eligible under the plan.

They have lived with the unfairness for quite some time now. If we are not perfect, and there is always a chance the bill may not be perfect when it goes to committee, or we are unable to resolve all of the pharmacists' problems, they will simply have to rely on the fact that no matter how the drug plan is set up or administered, at least they are reasonably sure they are going to get paid. They may have to live with some level of unfairness in that.

When we go to committee, I would imagine we will all be very concerned to see there is absolutely no unfairness. If we fail to achieve that, then I suppose the next best bet is to get something that is at least workable and on balance is okay by everybody. That would be the challenge of the committee when it gets the bills. I would hope it gets a chance to deal with this matter sooner rather than later.

Mr. Callahan: At the outset, I would like to correct something, perhaps a lesson in what is known as short one-liners.

When I made the comment about peanuts and razors, I was referring to the large chain stores where they carry everything from razors right on down the line. I never meant to cast aspersions on the small pharmacist. I have a number of them in my riding and I know many of them on a personal basis. It was not an indication of anything uncomplimentary to them.

I think it is a bit sad, though, in a way, that–

Mr. Gillies: Cut-rate; you will not get it back.

Mr. Speaker: Order.

Mr. Callahan: That sounds like Mr. Gillies.

Mr. Speaker: The member for Brantford.

Mr. Callahan: That is correct. Thank you, Mr. Speaker.

I would like to approach it from a different aspect. As I understand the situation, it arose because manufacturers listed with the government in a formulary, the prices purportedly at which the drugs were being sold to the pharmacy. That price was significantly higher, I suppose, than the acquisition price.

4:30 p.m.

As a result of that, it put in danger a very significant fact that this entire legislation is trying to approach. This legislation deals with people who are unfortunate enough not to be able to pay or who need assistance in paying for their drugs. An essential commodity of any civilized society is a decent health care system for senior citizens and for those people who cannot afford it.

What was happening as a result of the history of this entire situation was that we were putting in jeopardy the very safety net that we as caring Ontarians and caring Canadians attempt to put in place to provide for people who are less fortunate than we are. Every time games are played with the safety net, the taxpayer out there–and I think quite justifiably–wonders when governments allow that to happen, "Why should I continue to pay for that service for those people when it is being abused?"

That is the very fact this Minister of Health had the guts to address. As I understand it, over the years of the Tory dynasty there were six Ministers of Health who over a period of 11 years knew there was a problem and did nothing to address it. As I understand it, and I may be mistaken, it was not until the Auditor General in 1984 brought it to the attention of that party as a public matter.

I suggest, as has been said by other speakers, the major concern here is to look after the people in our society who are unable to look after themselves. We are fortunate people in being able to obtain our health care system on our own. Every time we play around with that and do not deal with it directly, I suggest we as legislators are not fulfilling our sworn responsibility to make certain that those safety nets are kept in place.

We have seen it with the unemployment insurance situation and we have seen it with other pieces of social legislation. Every time we tinker with it or we do not do anything about it–and I suggest that is what was happening over those years–we put it in jeopardy.

The Ontario drug benefit plan is paid for by all of the taxpayers of this province. As a result, I suggest the minister has a sworn duty to make certain that those tax dollars are being maximized, at the same time providing relief and care for those people who need it. That was not done, so the minister has brought this legislation before us.

I get a kick out of the ads being run by the Ontario Pharmacists' Association. They say: "'Proposed drug pricing legislation is not in the public interest,' an advertising campaign launched by the Ontario Pharmacists' Association says." We have the president of the Consumers' Association of Canada quoted in the Globe and Mail of October 12, 1985, as follows:

"That practice developed because government officials accepted the inflated prices cited to them by drug manufacturers and published the prices in the province's formulary, the handbook of drug prices for the drug benefit plan which also sets the basis for retail prices. With inflated listings, manufacturers compete with each other to woo pharmacists to stock their product by maximizing the spread, the difference between the inflated price and the actual selling price to pharmacies.

"The Gordon commission report submitted to the province in August 1984 said the prescription drug delivery system in Ontario has been used to the benefit of all except the consumer and taxpayer. As a result, consumers have been paying millions of dollars too much each year for drugs."

That flies in the face of the very fancy and articulate advertising that has been going on in an attempt to scare people in this situation. The pharmacists have almost led one to believe that this bill is not going to committee and that they are not going to have an opportunity to have their say. They have actually placed people in the position where they are frightened. They feel that their pharmacies are being ill done by.

I suggest that every time a speech is made over there to enhance that position, all it does is stir up Ontarians. It does not give them the full facts. It does not tell them we are trying to address a problem that is going to be to their benefit, that is going to protect them, protect that safety net that is in place and make certain it is not lost as a result of the taxpayers who pay for this getting fed up with it and saying: "The government did nothing about it for 11 years. They let the system rip us

off. We as taxpayers are paying the bill." I suggest that is a very dangerous situation in any social legislation which is required for the benefit of those who are not quite as lucky as we are.

I fail to understand how the member for York West (Mr. Leluk) can actually stand up and quote, I presume, from an Ontario Pharmacists' Association document that says, "A pricing system based on the actual acquisition cost is more likely to increase drug costs because there will no longer be any market incentive for manufacturers to offer or pharmacists to seek the most competitive and advantageous prices."

I ask them to explain that. If the explanation is that if they were left doing what they were doing, listing the prices on the formulary at an inflated price, they had this opportunity to fiddle around with pharmacies of various sizes, particularly the larger pharmacies, to get a volume discount and offer a lower price to enhance it, I do not understand how this is going to increase the price. I truly want to know whether the member for York West can explain that to me. It makes absolutely no sense to me. It has no factual basis and if someone can explain it, I would dearly love to hear the explanation. That is something that is put out to the members of the public and it frightens them, particularly the cash-paying customers.

Clearly, that is not in the best interest of the people of Ontario. I am a firm believer in a parliamentary system wherein we each have an opportunity to have a say. Surely to heaven when the say is being made by the opposition it is one that recognizes the benefits from this. Having lived with it for 11 years, the official opposition had to recognize there was a problem that had to be solved.

When I listened to the speeches from the members of the official opposition, they were totally negative. They attacked the minister as though he was some evil person. They should praise the minister for having the courage to do what six previous Ministers of Health of the former government did not have the guts to do. They left the taxpayer hanging out to dry for 11 years, letting him pay more than he should have through this program and putting that system in jeopardy for the senior citizens and the people who are unable to pay for benefits.

That is what they have done. They have let down the people who voted for them in the last election as well as the people who voted for them in elections over the past 11 years. They have allowed an interest group–and I am not suggesting the small pharmacists, who are small businessmen attempting to operate with a reasonable profit to make a reasonable living. They have allowed taxpayers' dollars to pay for these programs when they were not warranted.

Perhaps when this piece of legislation goes to committee there will be some suggestions made by people coming forward and putting accurate facts before the committee. In addition, there will be an opportunity for the public to attend and actually understand, perhaps for the first time because of the ad campaigns that have gone on, the true facts behind the program and the fact that it is being done for their best interest.

Along with members opposite, I look forward to the matter being referred to committee as soon as possible.

Mr. Sheppard: As are some of the other speakers, I am anxious to see this go to committee. I want to say a few words on behalf of the Pine Ridge Pharmacist Association in the great riding of Northumberland. A couple of the pharmacists who are very concerned about this bill live in the Quinte riding.

Mr. Andrewes: They do not have a spokesman. Their spokesman is silent.

Mr. Sheppard: He is very quiet down there at times and he had a week's rest. I understand he went to Florida or someplace.

The government says it wants openness; to open the doors and windows. By trying to get this bill passed before we recessed for Christmas, it was keeping the doors closed. The sooner this bill gets to committee, the better. I have received hundreds of letters from the pharmacists' places of business in the past three or four weeks.

4:40 p.m.

I have been inundated with correspondence from pharmacists in my riding expressing their objections to the proposed bills as presented in the House on Thursday, November 7, 1985, namely, the Ontario Drug Benefit Act and the Prescription Drug Cost Regulation Act.

To begin with, under the new regulations the pharmacist must dispense the entire quantity of the drug prescribed at one time. Serious problems could arise from this practice because currently, when someone wants a refill, the pharmacist checks it against older and more recent prescriptions for incompatibility. He checks the patient's condition–for example, whether a woman patient is pregnant–and checks other potential dangers.

Let us say a doctor prescribes a drug for six months but needs to see the patient after one month's use in order to check reaction. After

consultation, the doctor and the patient agree that this drug is not suitable. The patient is left with five month's worth of drugs that he cannot use but has paid for. What if a woman patient is prescribed a drug for six months but becomes pregnant after three months? She may not see her doctor for another two months, and perhaps various dangers may exist by then.

Dispensing the entire quantity of a prescription for a drug such as Valium could have serious implications and could even cause death to a depressed person or a drug abuser, to mention only two possibilities. With dispensing as proposed, there is less protection against overuse, abuse, misuse or the misunderstanding of directions. There could be less availability of advice on subsequent refills. In delivering drugs to participants in the Ontario drug benefit plan, the pharmacist already provides endless free services. There should be reasonable remuneration for these services.

There will be much more waste as a result of dispensing entire prescriptions, not to mention self-diagnosis and the sharing of drugs, as well as greater street usage in sales. Waste will occur owing to allergies and required changes in medication or doses.

With this system in use, there will be greater discontent in general. The pharmacist will have less time to spend with the patient. Pharmacists will face shortages in drug stock, and poorer monitoring of doses will occur. For the physician to maintain control for the patient's benefit, he will have to write prescriptions for shorter periods of time with no refills. This, in turn, will force the patient to return to see the doctor more frequently, which will cause further problems. The patient will most likely have to wait in the physician's office longer, and the physician will actually have less time for the truly ill. Having to go to the doctor's office more frequently will, in turn, affect the Ontario health insurance plan, as the doctor's visits will have to be paid for.

Most pharmacists object to the required posting of fees. It is not required for other professions, such as doctors and lawyers. The free enterprise system is done away with for pharmacists only. As well, a higher fee does not necessarily mean a higher prescription cost. For example, if a pharmacist charges a $5 fee and if the actual acquired cost of the drug is $10 per 100, the total is $15. If the pharmacist down the street charges $6 in dispensing fees but the cost of the drug is $8 per 100, the total is $14. Thus, the fee is higher but the total cost is less.

Currently, most pharmacists maintain an adequate inventory with minimal shortages and have a steady usage of most items. With the new legislation, dispense as written would result in sporadic usage and drug shortages.

With respect to stating both the drug cost and the fee on the prescription label, this could be very confusing for the patient. As well, if two members of the same family are on the same drug and if one is covered under the ODB plan and the other is not, they would have two labels, each showing different drug costs for the same drug and possibly two different fees.

Therefore, I urge the Minister of Health to refer this matter to a committee of the Legislature for further study and for full public discussion before these bills are passed because the Pine Ridge Pharmacists Association in the great riding of Northumberland wants to make a presentation.

Mr. Pierce: I am pleased to have this opportunity to speak on this issue. The government has tried to lump Bills 54 and 55 together. The Minister of Health has said these two pieces of legislation deal with the same issue. I have to disagree with that. Bill 54 looks at what drugs are supplied to the Ontario drug benefit program. Bill 55 governs the dispensing of drugs in the cash-payment market. These are essential to two different programs and they require two separate bills. Superficially, they seem similar, but they are not. The fact this government is trying to link the two together reflects on its kind of management style. This is a subject I want to leave until later.

I want to talk about what this legislation does to the pharmacists in Ontario. The Ontario Progressive Conservative Party pioneered the drug benefit program. It was set up to ensure that the elderly and needy would be able to get drugs if they needed them. This program has worked, but as with any program, problems have arisen. The method for establishing the price of drugs made available under the program has created some problems.

When we were in government, we felt it was only proper to commission a report on the situation to analyse the system and recommend improvements. This report, the Gordon report, provided the basis for negotiations with the Ontario Pharmacists' Association on changes to the drug benefit program. These negotiations were well under way in June 1985 when the government changed hands. What has happened since?

The new Liberal government has refused to negotiate. It has turned its back on the pharmacists of Ontario and the pharmaceutical manufacturers. It has drawn up Bill 54 in a vacuum. With the arrogance that Ontarians have grown to associate with the Liberal Party, it has gone off on its own course without any consideration of what effect its actions will have on the community. That may appear to be a joke to some people–

Mr. Wildman: Considering how arrogant the member's government was.

Mr. Pierce: I am talking about the government of today.

I make reference to the letters from local pharmacists and a letter from a little pharmacy in Fort Frances, Gagnes Pharmacy, addressed to the Minister of Health. It says:

"Dear Mr. Minister:

"The pharmacists of Ontario are frustrated. As integral members of the health professional team, our very future is being threatened by you and your government. The Gordon commission almost brought about a somewhat reasonable settlement for us, but with the fall of the Miller government, everything was dissolved.

"Your government, Mr. Elston, does not seem to grasp the entire concept of how we make our living. The ground rules for establishing our professional fee have been tossed out the window. Also, the fee is only a part of the way a prescription has traditionally been priced. The drug acquisition price, return on investment, discounts for quantity and early payment are all related to provide a fair return on investment and professional services.

"It is extremely difficult to get pharmacists to come to northern Ontario, and if your government proceeds as you have indicated, not only will it force us out of business, it will ensure that we will never be able to encourage pharmacists up here or anywhere else in Ontario for that matter. What do you suppose will happen to all the small communities in Ontario if this happens?

"Section 155 is absolutely ludicrous and must be amended. Once again, the Gordon commission had a reasonable recommendation, and that is that the pharmacists be allowed to charge their usual and customary fee for both generically written prescriptions and voluntary product selected drugs. We, the pharmacists, business people and professionals, feel cheated. Please negotiate with our association and the manufacturers and come up with a fair solution."

4:50 p.m.

That is what we are talking about here today. Give the pharmacists an opportunity. Give the people an opportunity to negotiate the bill and make sure it will provide the best service for the people of Ontario.

Everyone admits there are problems with the Ontario drug benefit plan, but under this government only Liberals are allowed to come up with solutions. Our party has asked that Bill 54 be sent to a standing committee for review. We feel it is important enough for all Ontarians concerned to have a chance to voice their opinions.

What is the hurry? Why is the government rushing this legislation through? Does it not want to give the people of Ontario a chance to study the bill? The Liberals have two years to govern, thanks to the third party. They should take their time and draft the legislation well, rather than rush the issue through. Often in politics, it is just as important for people to see the government doing the right thing as to be told it is doing the right thing.

By rushing through these two significant bills, this government is sending a strange message to the people of Ontario. That message is that this government is not one of open doors and windows. The message this government is sending out is that only it thinks itself fit to draft legislation. Interested citizens need not apply. The house of Peterson is going to run this province, and the public can take its opinions elsewhere.

Mr. Mancini: That is a bunch of nonsense.

Mr. Pierce: It may appear to be a bunch of nonsense to the member on the other side of the House, but it certainly does not appear so to the druggists who are out there providing a service to the people of the province, as well as providing small business.

Mr. Callahan: Did it take all those years to prepare the legislation?

Mr. Pierce: The member can talk about all the years that have gone by. I hear members on the other side of the House talking about all the things that did not happen for 42 years. They now have an opportunity to show some proper direction in the province, and it appears they are prepared to go down the same road.

I have some real concerns with Bill 54 and the way it treats the pharmacists of this province. Some of them have been in contact with me. I made reference to a letter from Gangnes Pharmacy, a small drug store in a small community in northern Ontario, which makes reference to posting the fees. Why should only pharmacists post their markup? Why do we not insist that gas stations post their markup? Why do we not insist

on knowing what the markup is on a can of beans in the grocery store? Why do we not know what it costs to have the clerk proceed with the can of beans to the checkout counter? Why does this apply only to the pharmacist?

I know there is a lot of support on this side of the House, to my far left, for the posting of all fees. I am afraid that is not going to happen in this day and age.

I have listened to the concerns of the druggists in my riding. With this legislation, I know I will not have to listen to the pharmacists in my area again because they will not be there. A number of these pharmacies are in communities of fewer than 1,000 or 2,000 people. They require the type of fee structure that is currently in place and the markup on their drugs to survive.

I agree Bill 54 represents a challenge to the communities. The quality of health care they enjoy in the Rainy River district is in jeopardy. Pharmacists have taken a close look at Bill 54. They believe the cost model used in the proposed regulations does not provide the pharmacist with an adequate profit margin or with funds to cover the investment and carry the inventory.

The druggist in northern Ontario is required to buy drugs through western and eastern chains. To have access to those drugs, he uses long-distance telephone calls and a number of other modes. The cost of getting those drugs to the pharmacist is much higher than in other parts of the province. If an individual patient requires a drug that comes from Winnipeg, the cost is automatically $12.50 to freight those 50 pills in from Manitoba. That cost now will have no way of getting back to the consumer.

Let me remind the government the Rainy River district, an area with small and moderately sized towns, does not benefit from the large chain drug stores. Our people rely on many small, independent operators who face costs in running their businesses in the north that do not appear to have been considered when the minister drafted the Bill 54 regulations.

In larger centres the independent pharmacists already face stiff competition from the large chains. The added expense that Bill 54 presents will not encourage these independent businessmen to keep their operations open. I predict that should Bill 54 become law, we will see many of these operations shut down or be turned into corner stores in anticipation of the sale of wine and beer.

Mr. Breaugh: Why did it take so long to work that into your speech?

Mr. Pierce: It takes a little while, but it is coming. It goes along with the peanuts my friend on the other side of the House mentioned. If we are going to sell peanuts, we might as well have wine and beer in the drug stores also.

Mr. Andrewes: For seniors only.

Mr. Pierce: For seniors only; that is right.

All joking aside, to my mind, Bill 54 is based on a false premise, that the sale of drugs is simply a dollar-and-cents affair. It is not. One just has to ask one's pharmacist. They have been in the business and they know. The sale of drugs is more than just dollars and cents. A pharmacist can make therapeutic judgements, but Bill 54 allows no place for this judgement by the pharmacist or, for that matter, by the doctor.

Let us look at Bill 55. There are problems with it as well. Unless the prescription clearly states what drug is to be provided, the bill proposes that the pharmacist be required to tell the patient that a cheaper drug is available and to leave the choice to the patient.

Most people do not know the difference in the value of drugs from one to another. Most people do not know that generic drugs, the cheaper products, can cause problems. For example, most people do not know that most adverse drug reactions occur with generic products.

Not all sick people go to the pharmacy. This is especially true with the elderly. They often send a relative, children or even a taxicab driver to pick up their medication. Most senior citizens identify their pills by colour. They know they have a red pill, an orange pill and a blue pill and how many to take at any given time.

To prescribe all these as generic drugs gives them all the same colour. We will see the results. Those who deal with the elderly on a frequent basis know they often refer to their drugs not by name but by colour. Bill 55 will force them to be able to identify different drugs only through their names. They will have to remember their names and remember what to ask for when they go to the pharmacy or ask someone to go in their place.

An interpretation of Bill 55 and its accompanying regulations seems to indicate that a pharmacist can no longer take prescriptions over the phone. Therefore, while we are proposing to save all kinds of money on the distribution of drugs, we now will require the patient to visit his local doctor to acquire the necessary prescription. We save money by dispensing the drugs and then we increase the cost to the Ontario health insurance plan by insisting that the patient go to the doctor to get his prescription. This will also

cause an unnecessary inconvenience to the chronically or seriously ill.

Given these facts, I wonder whom Bill 55 will really benefit and I wonder why the bill is being pushed ahead in such a hurry.

Let me look at another aspect of Bill 55. The bill requires pharmacists to post their dispensing fees. Pharmacists have explained to me that the requirement of this legislation ignores the manner in which most pharmacists arrive at their fees. This should be not surprising. Since the legislation was drafted without consulting the pharmacists, it is no surprise that it does not reflect the reality of their business.

5 p.m.

Independent drug stores will not be able to sell drugs as cheaply as the chain stores. The independent pharmacists fear they will be driven out of business. I share their fear. A number of employees from small drug stores have approached me with the fear that they also will be out looking for work because of this legislation. Fortunately, this not being question period, those questions do not have to be answered at this point in time.

Mr. Wildman: Is the member going to vote against the bill on second reading?

Mr. Pierce: It is not a question of whether we are voting for or against the bill. The question is whether the bill actually goes before the committee for further study and input. That is what it is all about: to give the people the opportunity to go to the committee as well.

There is nothing in this legislation to prevent a large chain from becoming a neighbourhood monopoly by setting dispensing fees as a loss leader to torpedo the independent competition. Then there is the matter of posting fees. Again, I do not think that this is a good idea. Why must a pharmacist post his or her fees? Should a doctor post fees? Should a store clerk post his fees? Should a taxi driver post his fees?

Mr. Wildman: He does. The tariff is listed.

Mr. Pierce: No, he does not. I do not know what a taxi driver is making. I do not know what it costs to buy his gas. I do not know what it costs to operate his car. I do not know how much profit markup the taxi operator has. Yet we are insisting that the pharmacist post his fee to confuse the senior citizens.

Mr. Wildman: That is just the beginning.

Mr. Pierce: That is right. It is just the beginning, and I guess that is what the accord is all about.

Mr. Warner: There is a bigger and better world out there.

Mr. Pierce: I guess there is.

Pharmacists are an independent, self-regulating profession, not unlike doctors, lawyers and other groups of professional people.

Mr. Wildman: Let us get them to post their fees.

Mr. Pierce: Why do we not just nationalize everything and we can all go home? Why do we not just nationalize the world and we can all go home at the same time?

Those professions have contact with the government and join with the province in providing services to the community.

Interjection.

Mr. Pierce: The member should remember that once we nationalize everything, some of us will be out of work.

Mr. Wildman: Probably the member for Rainy River.

Mr. Pierce: That is not likely.

There is much one can say in opposition to Bills 54 and 55, but it all boils down to this: Under this legislation, it is the government and not the doctors or the pharmacists who make the decisions, and both bills are based on false premises.

The government has chosen to ignore the advice of the pharmacists and the drug manufacturers and in fact did not even offer to consult. They say these bills are necessary in their present form to provide cheaper drugs to those who need them, but that is simply not so. No one in this Legislature would be against providing cheaper drugs to the needy wherever and whenever practicable.

Bills 54 and 55 are flawed. This government should have the courage to take these bills to a committee where the public could make comment. It should have the courage to comment publicly on the details of what it proposes to do. This government should have the honesty and integrity to admit that it does not know everything and to make changes working with the public, with the pharmacists and with the community at large. The whole style of approach that this government has taken on this issue leaves me with a bad taste in my mouth, and I will visit my local druggist for mouthwash.

I am concerned. The availability of drugs is a serious question. The future of the pharmaceutical profession is a serious question, but the way Bills 54 and 55 have been drafted and introduced, and the way the government has dealt with this

entire question, leaves me wondering about its motives. Do they want effective, positive legislation or happy headlines in the morning newspapers? We need honest leadership on these questions and not the efforts of a cheap publicity seeker.

Mr. Lane: I will be very brief today for two reasons. One is that we have other speakers, and the second is that I have a heck of a cold and my voice is not going to last very long.

Mr. Wildman: Go see a pharmacist.

Mr. Lane: I cannot, until I get this matter settled.

I want to say at the outset that I have a very high personal regard for the Minister of Health. He has made a big contribution in his years here, and I am disappointed that he is treating Bills 54 and 55 in the way he seems to be doing. Members can see I have a large pile of letters here; I shall restrict myself to quoting just a few comments from letters and telegrams I have received from people working and living in the great riding of Algoma-Manitoulin.

The minister has a letter from this gentleman; so I will not read it. I will just refer to a couple of sections of it, as he sent me a copy. It is from Frank Reynolds, BA, CLU, living in Little Current.

"As founding chairman of the Manitoulin-Sudbury District Health Council and as a past member of that council, I have some knowledge and interest in health care. Further, as a financial planner working in both life and health fields, I am very concerned that your government is providing a smokescreen covering up the real issues confronting the province: drug costs.

"The current battle between generic and brand-name prescription drugs is pushing costs to record highs. In 1985, with inflation running at four per cent, drug plan costs have risen 15 per cent, with the cost of drugs accounting for 14 per cent of this cost. The prescription drug price for 1986 appears to offer no relief from the high jumps in 1985.

"Chasing the pharmacists with regressive legislation will not lower drug costs. It will add another coating of bureaucracy to already spiralling costs. It seems to me the abusers of the system should be tracked down. Keep costs in line that way. My experience has been that strict claim control keeps the system functional, rather than meaningless sporadic controls."

I have another letter here, from a pharmacist who wrote to the minister; he also wrote a little memo to me, in which he says:

"As a pharmacist, I am very opposed to the many regulations in the proposed Ontario Drug Benefit Act and the Prescription Drug Cost Regulation Act. I urge you to do everything you can to delay the passage of these acts until adequate discussion has taken place with the representatives of the pharmacies."

All these people are asking for is a chance to have fair and open dialogue. We keep hearing that these bills will go to committee, but we do not want to think they are just going to go into committee and come back out again. We want to think there are going to be advertised hearings and that people will be able to have real input into the bills.

I have a telegram from a pharmacist in Elliot Lake, and he blames me for the problems, I guess. He says:

"I am angered and frustrated at your proposed unilateral decimation of the pharmacy process as we have known it. Your apparent unwillingness to discuss the entire picture with the OPA in private or in public in order to resolve all the issues goes entirely against the grain of any ruling party in this country, now or in the past. I urge you to reassess and stop this legislation until all the facts have been aired entirely in full view of the public whom you claim to be protecting. This proposed legislation affects more people than you may realize."

That is from Doug MacLeod of Shoppers Drug Mart in Elliot Lake.

I have another telegram, from Janeway Pharmacy Ltd. in Massey:

"Urgently request you vote against Elston's pharmacy bills this week." They were thinking they were going to be voted on before Christmas. "Not asking your support for pharmacy but fair clause-by-clause examination in committee. Community pharmacy cannot survive in northern Ontario under these bills."

The people running pharmacies in my riding are not saying they do not recognize there is a problem that has to be corrected. All they are saying is there has not been any dialogue. They want to have a chance to have dialogue, and they do not want the bills passed until that happens.

I have two more telegrams here from pharmacists; one works in the pharmacy in Massey, and the other girl works in Elliot Lake. They both say their jobs are at stake and we have to have these bills corrected.

5:10 p.m.

I would like to refer to a situation that happened several years ago in the small town where I live and that could happen there again if

these bills are not dealt with properly. It was about 1970 in the town of Gore Bay on Manitoulin Island. The pharmacist who had been working in the only pharmacy in town had been there since the Second World War. He was getting tired and wanted out. He was thinking about getting rid of his store. It was the only pharmacy we had in that town.

I was the mayor of the town at the time. I did not want to have a town with no pharmacy, because there are 800 people living in the town and another 3,000 living in the farming community it serves. I tried to help find a buyer for the store who would give the pharmacist some time to himself, so he could have a lock-and-leave pharmacy where he could be there three or four hours a day. The lady could run the front part of the store and see the people were served.

We were able to find somebody to buy the store, and that setup worked quite well for about a year. He was able to semi-retire and still serve the public. Unfortunately, he got ill and died very suddenly, and it was not possible to find a pharmacist who was prepared to come to a small town in northern Ontario.

The lady who had purchased the store was no longer able to operate it as a pharmacy because she had no licence; so she turned it into a ladies' wear store. For five years, however, she allowed people to bring prescriptions in. She would put them together in an envelope and send them 40 miles to Little Current, have them filled and sent back to her, and the people would come in and pick up the prescriptions. Without any profit and at quite a bit of an expense, she provided some service to the public for five years.

We were then lucky enough to get a young lady to come in and open up a pharmacy in Gore Bay on Manitoulin Island. She has no help. She is the only licensed person in the store; so she works six days a week. On two or three occasions this summer, she took a couple of hours off to attend some function and had to close the store. On every occasion, I got a phone call asking, "Why in the heck do we not have an open pharmacy in Gore Bay?"

I talked to this young lady recently and she says she is getting tired of working six days a week and if the government is going to make her life more miserable, she is going to just work when she feels like it and the public will not get proper service. She may even dispose of the store and work someplace else where the population is more dense, where she can get a salary, have a 40-hour work week and not have all the worries she has today. If that happens, the people in the west end of Manitoulin Island will again be faced with the problem of having no pharmacy closer than 40 miles, and in some cases 70 miles from the extreme west end of the island.

It seems passing strange to me that this government has indicated it has a very special interest in senior citizens, with a minister to take care of their needs, and the party on my left would like the public to believe it is especially interested in senior citizens and disabled persons, and yet those are the very people who are going to be hurt.

If that pharmacy in Gore Bay is closed, the very people my friends across the way and on my left would like to think they are protecting are the people who are going to be hurt. We have many senior citizens on Manitoulin Island. We have no heavy industry. The young people go away to work, the older people stay and retire there, and people come there to retire.

We have a very heavy population of senior citizens on Manitoulin Island. Many of them do not have cars. Many of them can no longer drive cars. We will have a situation where they will have to hire a taxi or car to travel 40 miles one way–80 miles return–to get a free prescription filled. They will have to spend $35 or $40 and probably wait a day or so because it is not always possible to get transportation at any given time in a small area such as that.

The very people we should be trying to protect, and who most members of this House think the government is trying to protect, are going to be the people who will be hurt.

All my people want, and all I want, is for these bills to go to committee to have a fair, open hearing where people know they are going to be heard. They want to see that the advertisement is placed well in advance and that the public is made fully aware they can come in. We hope the committee can amend these bills so they can correct the problems.

I admit that there are problems and that the drug system is costing us too much, but we have to make sure we are not going to shut out people who have a contribution to make to these bills.

Mrs. Marland: Mr. Speaker, the major concern I have on behalf of the people in Mississauga South, both the patients who unfortunately require medication and the pharmacists we are fortunate to have as dedicated professionals, is the whole approach of the Liberal government in dealing with this entire subject. I am rising to speak today to ensure the message gets across to the government that there is a

necessity for full, open and unlimited public hearings on this bill.

At the outset, I would like to refer to a letter written by the member for Kitchener (Mr. D. R. Cooke) to someone in his riding. It is an undated letter, so I cannot identify it any further than that, but it is a letter the member for Kitchener has written to someone in his constituency, I assume. The name of the person has been eliminated from the letter; however, the remaining part of the address is Kitchener, Ontario.

In the third paragraph of this letter, the member for Kitchener says: "First of all, let me indicate to you that the proposed legislation is not something that we are in any way attempting to railroad or push through without as fair a hearing as the public of Ontario wishes."

In reading this letter, I would feel very assured and confident if I knew that the member for Kitchener wished, on behalf of his constituents in Kitchener, that they were going to be totally regarded by the members of his cabinet.

If I could be completely comfortable that both these bills, and particularly the bill we are speaking to this afternoon, were going to be referred to a committee for full, unlimited, unfettered and open hearings, I would not take up any further time of the House today. However, since we–

Mr. Sheppard: On a point of order, Mr. Speaker: I do not think we have a quorum of 20 in the House. Nobody is listening to this great speaker at present.

Mr. Speaker ordered the bells rung.

5:23 p.m.

Mrs. Marland: Now that a quorum is present, it gives me pleasure to continue.

I was quoting from a letter by the Liberal member for Kitchener and I had referred to the fact that in this letter he was assuring a constituent of his, I presume, because the address is in Kitchener, although the name of the person to whom the letter is addressed has been obliterated. As I mentioned, the letter is undated, so I do not know when the member wrote to his constituent.

I should read it correctly: "First of all, let me indicate to you that the proposed legislation is not something that we are in any way attempting to railroad or push through without as thorough a hearing as the public of Ontario wishes."

It is very important to recognize that here is a member of the Liberal government who is recognizing–and I think this is the important fact–that the public of Ontario does wish to have a thorough and public hearing on this bill. I am grateful that the member for Kitchener is speaking in that vein because that is entirely the direction in which the public in Mississauga South would like to see this bill go.

I mentioned that the patients in Mississauga South who unfortunately require medication because of their health conditions are concerned about the implications of this bill. It goes without saying that the pharmacists in Mississauga South are equally concerned. Perhaps the pharmacists are more concerned than the patients at this point, because as professionals they recognize the long-term implications of this type of legislation.

They work every day with the responsibility of dispensing medication to patients referred to them by the medical profession. They know every day what their involvement in health care is in this province. Every time they fill a prescription, they recognize the tremendous responsibility they have to the patient who is going to use the medication. Because the pharmacists are honourable professionals, they do not treat lightly their tremendous responsibility in dealing with medication. Neither do they treat lightly their tremendous responsibility in trying to respond to any proposed changes in legislation in Ontario that might affect their reponsibility in filling the prescriptions prescribed by the medical profession.

It is very interesting that the current Liberal government of this province seems to be committed to bringing forward somewhat regressive legislation in a number of areas pertaining to the health field and the health care of the people who reside in our great province.

Mr. Wildman: Any other examples of regressive legislation?

Mr. Marland: Yes. I suggest that when we get to it, there will be areas of health care accessibility legislation that will be regarded as being most regressive to the wellbeing of the health of the people of Ontario.

I would like to tell the members about a resident of my constituency who does not have an axe to grind from a commercial aspect of running a pharmacy. He is not in that business. He is not in the profit-and-loss scene of the operation of a retail pharmacy. David M. Shaw has a bachelor of science degree in pharmacy and lives at 1580 Crestview Avenue, Mississauga.

5:30 p.m.

In a letter to the Minister of Health on October 24, 1985, he says:

"At present I am a licensed pharmacist and the director of a pharmacy at a community hospital. While I am not directly affected by the pricing

structure of prescriptions at the retail level, I do have some concerns about the issues being debated in the Toronto daily newspapers.

"It has become apparent to me on reviewing the issues that either the Ministry of Health is not dialoguing and acting in good faith with the Ontario Pharmacists' Association regarding dispensing fees, cost of drugs, etc., or, being new to the business of running a government, has not taken the time to find out the facts, review the history and have a good understanding of the situation.

"Either way, if what I have read this far is an example of how the ministry plans to work with Ontario's health care professionals, then far more people than the community pharmacists have a problem on their hands with this new government. I strongly urge the ministry to start negotiating with OPA on all issues and stop misleading the public about the Ontario drug benefit plan.

"The pharmacist is a first-line provider of health care information, especially about drugs. It does not come for free. It is a vital service to the public and should receive the ministry's support and understanding."

That is the end of Mr. Shaw's letter. It is very interesting that Mr. Shaw identifies the concern about our health care professionals in Ontario as being greater than just that about the pharmacists who are dispensing the prescriptions to the people who are sick and need them.

I have met with the pharmacists in my riding and I have had, as I know many members of the Legislature have had, a very large number of telephone calls and letters of concern. They are now simply at the point of asking, "Can we please come and talk to the Legislature about our concerns?"

They feel that the discussion would help to inform those of us who are not pharmacists. I do not know how many members of this Legislature are pharmacists or have degrees relating to the responsibility of pharmaceutical dispensing, but I would suggest very humbly that the majority of the members of this Legislature are not familiar with either the responsibility or the implications of dispensing medication.

Sue Czaja from Pascoe's Pharmacy, Bill Maxted from Maxted's Pharmacy, Gus Salameh from Super X Drugs, Aldo Anzil from Courtesy Drug Mart Ltd., Carl Horowitz from Carl's Pharmacy, Richard Diniz of Hooper's Pharmacy, Walter Sommerfeldt from Glen Erin Pharmacy Ltd., Ron Purdy from the Village Pharmacy, Bob Smart from the Village Pharmacy, Harry Sokoloski from Boots Drug Store and Fred Towers from Keene Guardian Pharmacy are individuals who have very grave concerns that we would make any decision without full public input in an unlimited mode.

To have this bill referred to committee would be very progressive in dealing with the subject matter, but it would be very regressive if it were referred to committee with any limitations. In the light of the fact that we have a government today that proclaims itself to be very open and that wants to have a completely accessible medium for the public on all subjects, it would be contrary to its wishes if it referred this to committee with any limitations.

There is no sudden emergency to rush this legislation through, particularly when it deals with the health care of the people of this province. I would suggest to all of us that it goes without saying that absolutely nothing matters more to us than our health.

If we, as members of this Legislature, are going to make decisions that have an impact on our health in the future, then we have a responsibility to every resident in the province to be sure those decisions are made after complete and unlimited research into every aspect of the subject. That can be done only by having a committee which is as open as the standing committee on social development has been on the subject of separate school funding.

That has been an excellent example of the three parties in this House saying to the public of Ontario: "You are welcome to come and give us your opinions because we value them. Yes, we represent you, but we are not so inflated in our opinion of ourselves that we are all-knowledgeable and all-expert on all subjects."

We felt we were not experts enough on the subject of education and separate school funding that we saw fit to welcome the professionals and the consumers of education, for example, the parents of students within school systems along with the teaching professionals, to give us their views. Since we are not, in the majority, professionals in the pharmaceutical industry or pharmacists dispensing medication, I assume we would welcome them with equally open arms to tell us what the realities of this legislation are and what adverse consequences there are, if any.

I would also like to give an example of something that happens every day in every small pharmacy in this province. It is an example of a patient going to a large chain, which I happen to know the name of but I will not read it into the record. The patient is, sadly, a child, and it was

the parent who was going to pick up the medication. When the parent handed in the prescription, the pharmacist in this large chain said: "I am sorry, I cannot fill that prescription. We do not carry it."

The parent said, "I did not know there were prescriptions a large drug chain such as this would not carry." The parent had chosen to go to the large chain because he thought there was a possibility the small store might not have it. The parent knew it was a very expensive drug to carry. It was also not a common drug regularly dispensed on a frequent basis.

The pharmacist in the large drug chain said: "The reason we are not carrying it is simply because it is too expensive. I recommend you take your prescription to a medical-type pharmacy." The parent of the child then took the prescription to one of the pharmacists I mentioned earlier in my address.

5:40 p.m.

The drug, a product manufactured by Eli Lilly Canada Inc. in Markham, is called Cesamet. It is a derivative of cannabis, colloquially known as grass. It is a drug used only in the treatment of cancer. Members can understand now. Here is a parent going to a small pharmacy trying to obtain medication for the child who is dying of cancer. The pharmacist is very sympathetic to the patient's parent standing in front of him. It is true he does not carry the drug specified because the drug is about $4.31 a tablet. The prescription is for 120 tablets. The pharmacist finds that at the moment the Drug Trading Co. does not even carry this drug either because of security problems.

The pharmacist has a choice. Because he is the professional that he is and because he exemplifies the professionals we have in the pharmacy profession in Ontario, this particular gentleman gets in his car and drives to Markham to Eli Lilly Canada Inc. where he purchases the prescription of 120 tablets for this child who is dying of cancer. He drives from Mississauga to Markham, and we can easily estimate that probably takes at least an hour each way. When he gets back to Mississauga, he himself delivers that prescription to the child at the parents' home. He does that because he is the caring professional with whom we are all familiar.

Let me give the other side of this picture which exists today. He has 14 days to pay the Lilly company for that prescription. Because the patient is on the drug benefit plan, he gets a $5-dispensing fee. Because he is not allowed to buy directly from the pharmaceutical company, the Lilly company advises him he has to pay the upfront Drug Trading charge, which is a further $18. So the pharmacist has to pay $18 to the Drug Trading Co., because he is not able to buy direct from the manufacturer. He has 14 days to pay Lilly for the prescription, but because of the category of drug, he has to wait 80 to 90 days to be paid by the government for his prescription.

How interesting that in one prescription, in one pharmacy, in one day there is that kind of financial outlay for the pharmacist. If he has the money to pay within 14 days, he would be better to put it in the bank than be paid up to three months later for that prescription.

I understand there are many drugs that pharmacists are forced to purchase through the Drug Trading Co. because that is their only access to those drugs. As soon as they have to purchase them from the Drug Trading Co., obviously the markup has to be there over the manufacturer's price. When we talk about what the pharmacist gets for dispensing medication, it becomes a very meagre scenario, because the government will pay only the wholesale price plus the dispensing fee under the drug benefit plan.

That is a brief example of one case. I know there are 1,000 stories. We have already heard some examples and are about to hear more. It points to the fact that before we make any decisions on this subject, and before we decide that a self-regulating body such as the Ontario College of Pharmacists is not capable as a body of professionals of continuing to be responsible in this area of health care for the people of Ontario, we should at least benefit from its input and from input from the public itself, not necessarily from anybody related to the pharmacy industry or the pharmacy professionals.

I ask with great concern that when this bill goes to committee, it be for the consideration of full and open input from as many people as feel that is necessary, to make sure that we have a full and complete understanding before any decision is made in this Legislature.

I thank the House for the opportunity to speak on behalf of the people of Ontario in a most critical and important area of their future wellbeing, namely, their health.

Mr. Villeneuve: I too want to express some deep and grave concerns of the people I represent, the people of Stormont, Dundas and Glengarry. As the members know, the riding I represent is very much a rural riding. In Stormont, Dundas and Glengarry over the years, a number of senior citizens' residences have been

built in communities such as Finch, Alexandria, Chesterville, Winchester, Morrisburg, Williamsburg, etc. These senior citizens have moved to these residences with the understanding that there would be available in not too distant towns, if not in the town in which they live, pharmacies that would be able to dispense to them their needed medication and requirements.

My largest town is Alexandria with a population of slightly more than 3,000 people. My major concern is that when one speaks of a town, pharmacies are not on every street corner. At last count, and I could be out by one, there were eight pharmacies in the riding I represent. Of these eight pharmacies, a number are possibly owned by the same owner, who has expanded into neighbouring towns to provide a service that is not only required and needed, but is also literally begged for by the senior residents.

If Bills 54 and 55 are enacted as currently written, I am told we could face a reduction of 50 per cent in the number of pharmacies in my riding. If this should occur, a number of seniors will be in difficulty, in that they will have to hire taxis or get relatives, etc., to obtain their required medication.

I think this is bad legislation. I will read into the record a number of items of correspondence that have been provided, not only by pharmacists but also by people who are concerned and who see this as an encroachment on a professional, self-regulating group of people who have been servicing the communities in which they reside.

5:50 p.m.

First, I have a letter from a pharmacist in Vankleek Hill. I notice that the member for Prescott-Russell (Mr. Poirier), who represents the town of Vankleek Hill, is not in the House at present. However, this is from one of his constituents. I happen to know this person individually and personally. The letter reads as follows:

"The last time we met, Noble, things were brighter for both of us: The Progressive Conservative government was in power and pharmacists were treated fairly."

What this particular pharmacist means is that the former government was administering by consultation. We are now going back to a situation where it is government by confrontation. I believe we have had a number of experiences in the last month that would very clearly outline the fact that we are going back to the era of Parliament Hill prior to September 1984, where it was very much confrontation instead of consultation.

I continue quoting from this pharmacist in the riding of Prescott-Russell.

"I am taking the opportunity to write to you concerning the present crisis between pharmacists and the Minister of Health. I am urgently requesting your help and co-operation in this matter.

"The minister has blamed the rising cost of the health care system on pharmacists. How could this be? We only represent a fraction, and a small fraction at that, of the health care system in terms of cost. He has made us look like thieves in the press. He has not negotiated with the Ontario Pharmacists' Association and recently has proposed in the Legislature, as of November 7, 1985, two new bills working directly against pharmacies and pharmacists, the Ontario Drug Benefit Act and the Prescription Drug Cost Regulation Act.

"Mr. Elston sent us a draft copy of these two acts, along with his statement to the Legislature on that date. He is doing a good job at making it sound reasonable and fair, but believe me, it is anything but that. It is degrading to the profession and disastrous financially to pharmacies, particularly to those in small rural Ontario towns.

"From a business point of view, he is attacking the concept of free enterprise. This is extreme socialism," and please listen closely to the final two or three words of this sentence, "and, put in a different light, called communism."

Mr. Sterling: I had not thought it had gone that far yet.

Mr. Villeneuve: That is how far it has gone in the town of Vankleek Hill.

"The minister wants to do this by imposing many regulations such as opting in on every pharmacy in Ontario. To bill an eligible patient for any reason would be illegal. There are many instances where a surcharge is in line. For example, for an ODB patient requesting a brand-name drug which is more expensive, normally the difference would be charged to the patient. Many patients refuse the generic or what is considered the cheap drug and they do want what is commonly referred to as the 'real stuff.'

"No pharmacist shall refuse to supply a listed drug for an eligible person. There are many possible reasons, including professional and economic, for refusing a prescription. The cost of drugs used in pricing the prescription must equal the actual acquisition cost. No room for markup. Profit is a very dirty word according to this government.

"Drug cost $50, fee $5, prescription selling price $55. This in our opinion is unreasonable as

there are more and more very expensive drugs. The above cost price for a one-month supply is common.

"The quantity of drugs dispense as written, large quantity plus one fee with no room for markup, further ridiculizes the pricing system as planned in this legislation.

"Required to post our fee in the window; a prescription counter: No other profession"–and I have to take this man's word–"is required by law to post its fees in its place of practice. Besides, what is the point of posting the fee when the acquisition cost may vary from pharmacy to pharmacy, making the fee as shown irrelevant to the total prescription price?

"To familiarize you with prescription pricing, the selling price is comprised of a cost plus fee, the fee being stable, or approximately $5 per prescription, and the cost has been in the past either the actual acquisition cost of certain drugs or acquisition costs plus spread or markup, depending if it is an expensive drug or if the manufacturer undercut the ODB price list or if they happen to have a special on.

"The fee posting could be a stimulus for price wars, which could be initiated by certain chains such as K Mart, Loblaws, etc., with large purchasing ability, which are not relying on the dispensary for survival and have no professional conscience, as opposed to the independent and franchise operations, which are owned and operated by pharmacists and their families. This prostituting of pharmacists would be degrading and detrimental to the profession, making it another reason for not advertising prescription fees in the context the minister is legislating.

"Each pharmacy must state on a receipt or on the label, both for ODB and paying customers, the cost of both the drug and the dispensing fee. For ODB patients, it is ridiculous to put the price on a bottle, and for paying customers, it will encourage shopping around, stripping us of a certain professional image. Similar reason as above in fee posting.

"The minister may appoint inspectors for examining any records relevant to determine the accuracy of any information submitted. This provides unreasonable authority to an inspector to verify any records of the pharmacy at his discretion and becomes effectively public knowledge. This is unethical, according to their professional code of ethics.

"Upon receiving a prescription for a paying customer, we must inform the person of his right of an interchangeable product. This is not only ridiculous but unfair to brand-name companies who do the research for new drugs. Generic companies do no research of this type, and it is this attitude which causes the withdrawal of major companies from Canada, along with their new drugs, which they may be in the process of finalizing.

"If this is permitted to continue, new drugs in the future will appear in other countries and will not likely be available on the Canadian market due to the lack of support for research by these companies. For the present, the lack of revenue to these companies have caused many new drugs to be extremely expensive. By the way, these expensive drugs further ridiculize the proposed pricing system by the minister.

"The pharmacists shall dispense the entire quantity prescribed at one time: It was the ministry that introduced the one-month supply concept in 1974, and the fee agreed to by the OPA and the ministry at that time was lower than it otherwise would have been. The economic impact to pharmacy by the elimination of the one-month supply concept is drastic, unless there is a compensating fee adjustment. It must be remembered that this one-month supply reduces drug abuse, drug wastage and permits a more frequent contact between patients and pharmacists for counselling. So, overall, it is not a waste of money to the ministry. This one-month supply was a cornerstone of the drug benefit act when established in 1974.

"I have managed to present to you several regulations that Mr. Elston proposed in his Bills 54 and 55, which I oppose most certainly. I believe they are unfair, and not only unfair but degrading to the profession.

"The two proposed bills contain many more unreasonable regulations not mentioned in this letter."

Mr. Speaker: The member may find it an appropriate time to make a break in his remarks.

Mr. Villeneuve: I have no intention of collapsing, but I find it an appropriate time to pause.

Mr. Speaker: It is not necessary to adjourn the debate because we will continue. However, I listened very carefully to the member's comments at the beginning. He said he was going to read from many documents. I suggest that is somewhat out of order. He might want to follow the excellent example of the member for Peterborough (Mr. Turner) and briefly summarize those. He might want to do that over the dinner hour.

The House recessed at 6:01 p.m.

CONTENTS

Tuesday, January 7, 1986

Oral questions

Bradley, Hon. J. J., Minister of the Environment:
Great Lakes water diversion, Ms. Fish 2801
Grandmaître, Hon. B. C., Minister of Municipal Affairs:
Shoreline property assistance program, Mr. Hayes 2807
Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy:
Highway extension, Mr. Laughren, Mr. Gregory 2803
Keyes, Hon. K. A., Solicitor General and Minister of Correctional Services:
Holstered guns, Mr. Sterling 2802
Kwinter, Hon. M., Minister of Consumer and Commercial Relations:
Insurance rates, Mr. Grossman, Mr. Reville 2797
Insurance rates, Mr. Foulds, Mr. Grossman, Mr. Reville, Mr. Runciman 2799
Ontario Film Review Board, Mr. Runciman 2805
Munro, Hon. L. O., Minister of Citizenship and Culture:
Multicultural grants, Mr. Leluk 2806
O'Neil, Hon. H. P., Minister of Industry, Trade and Technology:
Job security, Mr. Bennett 2804
Peterson, Hon. D. R., Premier and President of the Council and Minister of Intergovernmental Affairs:
Great Lakes water diversion, Ms. Fish, Mr. Morin-Strom 2807
Royal Commission on the Northern Environment, Mr. Wildman, Mr. Bernier 2801
Social assistance, Mr. R. F. Johnston, Mr. Cousens 2804
Landfill site, Mrs. Grier 2806
Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development:
Futures program, Mr. Grossman 2798

Petition

Roman Catholic secondary schools, Mr. Morin-Strom, tabled 2807

Report

Standing committee on procedural affairs and agencies, boards and commissions, Mr. Breaugh, adjourned 2807

Motion

Committee substitutions, Mr. Nixon, agreed to 2808

Second reading

Ontario Drug Benefit Act, Bill 54, Mr. Elston, Mr. Leluk, Mr. Callahan, Mr. Breaugh, Mr. Sheppard, Mr. Pierce, Mr. Lane, Mrs. Marland, Mr. Villeneuve, recessed 2808

Other business

Recess of House, Mr. Grossman, Mr. Speaker, Mr. Timbrell, Mr. Nixon 2797
Notice of dissatisfaction, Mr. Speaker 2807
Recess 2831

SPEAKERS IN THIS ISSUE

Andrewes, P. W. (Lincoln PC)
Bennett, C. F. (Ottawa South PC)
Bernier, L. (Kenora PC)
Bradley, Hon. J. J., Minister of the Environment (St. Catharines L)
Breaugh, M. J. (Oshawa NDP)
Callahan, R. V. (Brampton L)
Cooke, D. S. (Windsor-Riverside NDP)
Cousens, W. D. (York Centre PC)
Davis, W. C. (Scarborough Centre PC)
Edighoffer, Hon. H. A., Speaker (Perth L)
Elston, Hon. M. J., Minister of Health (Huron-Bruce L)
Fish, S. A. (St. George PC)
Foulds, J. F. (Port Arthur NDP)
Gillies, P. A. (Brantford PC)
Grande, T. (Oakwood NDP)
Grandmaître, Hon. B. C., Minister of Municipal Affairs (Ottawa East L)
Gregory, M. E. C. (Mississauga East PC)
Grier, R. A. (Lakeshore NDP)
Grossman, L. S. (St. Andrew-St. Patrick PC)
Hayes, P. (Essex North NDP)
Johnston, R. F. (Scarborough West NDP)
Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy (Niagara Falls L)
Keyes, Hon. K. A., Solicitor General and Minister of Correctional Services (Kingston and the Islands L)
Kwinter, Hon. M., Minister of Consumer and Commercial Relations (Wilson Heights L)
Lane, J. G. (Algoma-Manitoulin PC)
Laughren, F. (Nickel Belt NDP)
Leluk, N. G. (York West PC)
Mancini, R. (Essex South L)
Marland, M. (Mississauga South PC)
Morin, G. E., Deputy Chairman and Acting Speaker (Carleton East L)
Morin-Strom, K. (Sault Ste. Marie NDP)
Munro, Hon. L. O., Minister of Citizenship and Culture (Hamilton Centre L)
Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue (Brant-Oxford-Norfolk L)
O'Neil, Hon. H. P., Minister of Industry, Trade and Technology (Quinte L)
Peterson, Hon. D. R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)
Pierce, F. J. (Rainy River PC)
Reville, D. (Riverdale NDP)
Runciman, R. W. (Leeds PC)
Sheppard, H. N. (Northumberland PC)
Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development (York North L)
Sterling, N. W. (Carleton-Grenville PC)
Timbrell, D. R. (Don Mills PC)
Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)
Villeneuve, N. (Stormont, Dundas and Glengarry PC)
Warner, D. W. (Scarborough-Ellesmere NDP)
Wildman, B. (Algoma NDP)

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Evening Sitting

Speaker: Honourable H. A. Edighoffer
Clerk of the House: R. G. Lewis, QC

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CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, January 7, 1986

The House resumed at 8 p.m.

ONTARIO DRUG BENEFIT ACT
(continued)

Resuming the debate on the motion for second reading of Bill 54, An Act to Authorize and Regulate the Payment by the Minister to Specified Persons on Behalf of Specified Classes of Persons for the Dispensing of Specified Drugs.

Mr. Villeneuve: Before dinner, I was reading into the record the concerns of different people, particularly those in rural Ontario, which is very much the type of riding I represent. I was quoting from a pharmacist in Vankleek Hill, Paul Trottier, as to his grave concerns about what is occurring with Bills 54 and 55.

Hon. Mr. Bradley: Does my friend have any letters from consumers he wants to read?

Mr. Villeneuve: Yes. I will be getting to that. The Minister of the Environment (Mr. Bradley) is concerned about consumers. I have had a number of consumers express very much the same concerns. They are concerned about the always possible situation in rural Ontario where–

Mr. Breaugh: On a point of order, Mr. Speaker: This is a very important debate, and I am rather taken aback that only three members of the Tory caucus are here for it. I would like you to check to see whether we have a quorum.

The Deputy Speaker ordered the bells rung.

8:06 p.m.

Mr. Villeneuve: I was touching on a situation that is very much in vogue. Concerning the people of eastern Ontario, I was quoting from a constituent in the riding of Prescott-Russell. My colleague the member for Prescott-Russell (Mr. Poirier) is not here right now, but I am sure he will be reading Hansard and will realize there are some people in his riding who have great concern about Bills 54 and 55.

Hon. Mr. Bradley: We used to get those letters when the Tories were in power. We gave them the same answers they did.

Mr. Villeneuve: Prior to dinner, when the Minister of the Environment was not here, I was touching on the fact that we had government by consultation prior to May 2. Now we have government by confrontation.

Hon. Mr. Bradley: Who did the Tories consult on Suncor?

Mr. Wildman: Ask the public school boards about consultation.

Hon. Mr. Bradley: Who did they consult on separate school funding?

The Deputy Speaker: Order.

Mr. Villeneuve: Now that we have great numbers in this chamber, it is difficult to get their attention. When the quorum call went out, it was not difficult to get their attention. Now it is a little more difficult because of the large numbers that are here.

These are the concerns of a person who lives in a riding that happens to be represented by a Liberal member. He chose to send correspondence to his neighbour to the south, who happens to be the representative of the great riding of Stormont, Dundas and Glengarry.

Interjections.

The Deputy Speaker: Order. The member for Essex South (Mr. Mancini) is not in his seat.

Mr. Mancini: Is that not the guy who–

The Deputy Speaker: Order.

Mr. Villeneuve: The member for Essex South is trying to get my dander up.

An hon. member: Dandruff?

Mr. Villeneuve: I did not say dandruff. Mr. Speaker, it is difficult, but I am trying.

Paul Trottier, a pharmacist from the town of Vankleek Hill, closes his correspondence by saying:

"I should add that the Health minister is playing with a very complex matter, so complex he does not realize that if his proposal goes through it will backfire at the government in power, and the time is near, in the future.

"For example, the simple forces of economics will push the acquisition costs upwards very significantly. Why buy stock and finance quantities of 1,000 and 5,000 when size of 100 are available and rotate the stock faster?"

8:10 p.m.

We are speaking about small-town pharmacies that do not have the volumes that are prevalent in the more urbanized areas of Ontario. Somehow or other, the government currently in power

forgets that rural Ontario still exists. It is trying to go after the large populated areas, those areas that represent a great deal of power in this Legislature.

As we discussed in the redistribution issue–and I do not want to get off the topic of drugs–the voice of rural Ontario is always being diminished. This government is trying to further diminish the power of the part of Ontario, the agricultural sector, that probably generates more business and more jobs than anyone ever gave it credit for.

I am coming to the consumers. The consumers in small-town Ontario are so concerned that they have written me numerous letters, correspondence that expresses–

Hon. Mr. Bradley: They want to pay higher prices for drugs.

Mr. Villeneuve: I tell the Minister of the Environment that–and I will read the correspondence into the record if you will permit me, Mr. Speaker; it is very important correspondence that expresses the real concerns of the small people.

The Deputy Speaker: You may read excerpts from the correspondence but not whole letters.

Mr. Villeneuve: The present-day government and its affiliates to the left seem to forget the small people of Ontario out there, the people who make Ontario work, the average people, the people who created and made the good life possible in urban Ontario. I am quoting from Mrs. Paul Lamarche, RR 2, Winchester, Ontario, small-town Ontario.

An hon. member: What does RR mean?

Mr. Villeneuve: It means rural route.

I will quote, if you will permit me, Mr. Speaker. Mrs. Lamarche has written me not a long letter, but one that is very significant. "I am writing to bring to your attention a matter which is of great concern to me, namely, the legislation which is currently being read in Parliament concerning the pricing of prescriptions in Ontario." These are the kinds of people who live and earn their living in these small towns.

As I told members earlier, we have eight pharmacies, give or take one; it could be seven or it could be nine, but I believe we have eight pharmacies in the riding I represent. Should we lose one, two, three or four–if we can imagine–it will mean people from Winchester, Avonmore and Lancaster may have to drive to Cornwall, the main centre in the great riding represented by my colleague immediately beside me here, the member for Cornwall (Mr. Guindon). I am sure he would welcome these people as consumers in the city he represents, but I sort of like them being able to do business in their own towns in the riding of Stormont, Dundas and Glengarry.

Mrs. Lamarche says: "Over the years, the service I have received from my local drug store has been great, including the prices charged." I emphasize to the Minister of the Environment that this is a consumer speaking–

Mr. Mancini: How do they know what the prices are?

Mr. Villeneuve: It is right here. "The pharmacist here has been invaluable in answering my questions and taking the time to talk to me when the doctors' offices are closed after hours and on weekends." This is one of the consumers about whom the Minister of the Environment seems to be very concerned.

Hon. Mr. Bradley: Has the member ever seen a letter-writing campaign? Come on.

Mr. Villeneuve: As we well know, the people who are now in government originated many letter-writing campaigns.

Mr. Charlton: The member's party ignored them.

The Deputy Speaker: Order.

Mr. Villeneuve: "This new legislation, while designed to save taxpayers' money, will have a terrible effect on small communities." This, I emphasize again, is a consumer. "I am sure some drug stores will close and many will cut back on services such as delivery and extended hours."

Many of these drug stores are general stores. The pharmacists run general stores to try to make ends meet. That is the kind of business the government is trying to do away with today. Small-town Ontario is the backbone of the great life enjoyed by some of our urban counterparts. Probably 75 per cent of the members of the Legislature come from urban ridings. They do not realize that rural Ontario creates 25 per cent of the jobs that give them the big, fat salaries they earn here in urban Ontario, be it in Toronto, Hamilton, Kingston, London, Sarnia–all of those great cities.

This is from another consumer concerned about the legislation that is being brought in by way of Bills 54 and 55, Mrs. Cathy Shay of Winchester: "I am writing to you about the legislation which is currently being considered by the new government of Ontario. I am a person who is functionally employed, and it also happens to be in pharmacy." This lady may have a small conflict of interest. Apparently she works in a small-town pharmacy. She is concerned about having the place where she–

Hon. Mr. Bradley: The member should not pass these people off as consumers. They have a vested interest, and that is fine, but he should not pass them off as consumers.

Mr. Villeneuve: We are all consumers.

Mr. G. I. Miller: And taxpayers.

Mr. Villeneuve: We are all consumers.

"I do not wish to join the forces of the unemployed, which might very well happen if this bill is passed. I am not only speaking for myself but I am speaking on behalf of the four employees in the small pharmacy where I am employed."

This is not only a pharmacy; it has many items for sale, almost like a general store. This lady is a consumer. She is concerned about how small-town Ontario will continue to function. She probably has some senior citizen friends or relatives in senior citizens' homes or nursing homes. In eastern Ontario, we have the largest concentration of senior citizens anywhere on a per capita basis. It is very important to them that they have a place where their prescriptions can be meted out to them without having to drive long distances.

We have a few doctors in rural Ontario in the riding I represent who have at their disposal some of the drugs they prescribe and sell, but they have a very minimum amount. Therefore, it is imperative that they have pharmacists operating in a viable fashion, not on a hand-to-mouth basis but in a manner in which they can serve the people who live in these small towns.

This is from another consumer, Cindy Kerkhof from Winchester: "I would like you to know how unhappy I am about the legislation being proposed and now affecting the pharmacies of Ontario." This is another unhappy consumer; we have many of them. Again, the government of Ontario is not listening; it is ramrodding.

As a resident of Winchester and as a taxpayer, Cindy Kerkhof says, "I have had excellent service from our local pharmacy and have had no problem with the prices." This is a consumer. "Therefore, I cannot understand why the legislation is necessary to begin with." This lady does not even know why these things are happening. No one has been able to explain why, other than to become literally dictators to the profession.

Mr. Brandt: It has to be a mistake.

Mr. Villeneuve: I am sure it is a mistake.

8:20 p.m.

Hon. Mr. Bradley: We know what used to happen.

The Deputy Speaker: Order.

Mr. Villeneuve: What used to happen was government by listening, always listening. It is most difficult, because I see that the government now feels the heat. The heat is rising.

Cindy Kerkhof continues: "If pharmacies lose revenue, and there is no doubt that they will, they will undoubtedly cut down on services and some may even close. This would be disastrous for small communities like mine. This legislation would not hurt the larger chains."

This lady realizes the economies of scale and realizes also that in rural Ontario, where pharmacies probably have to run a general store, among other things, just to make ends meet to provide a service, they will not continue if Bills 54 and 55 go through the way they are.

I would also like at this time to mention the committee business. The minister has told us he would send this legislation to committee. There was a great question at one time about whether it would go to committee. As a matter of fact, I will not read the many telegrams I received on a certain Monday morning oriented towards ensuring that this legislation would not be railroaded. I have telegrams galore that ask me as a member of this Legislative Assembly to ensure that Bills 54 and 55 go to committee, much the same as Bill 30 went to committee, so that every individual who has a stake in Bills 54 and 55 has a fair hearing.

I can guarantee to the Minister of the Environment, who is very concerned about the consumers, that many consumers will come to this committee and state their concerns, particularly about small, rural Ontario pharmacies. That is what it is all about. We are concerned that some of these pharmacies may well have to close simply because they cannot make ends meet.

I hope we still have a system in this province that has a little bit of capitalist incentive left in it, but this government is in the process of removing that incentive. Bureaucrats, bureaucrats, bureaucrats: that is what this government is all about; plenty of bureaucracy to make sure that small business finally gives up, lies down and dies so that governments can take over. That concerns me tremendously.

Mr. Speaker, I know you would not allow me to read into the record the numerous items of correspondence I have had. I will not go into all the telegrams, but I have one here from the Woolco Pharmacy on Brookdale Avenue in Cornwall, signed by Wayne Miller, a man who lives in the riding of my colleague the member for Cornwall. I am going to read part of it because

I think it is important that it be shown in the record.

"I am writing to you as a concerned pharmacist regarding the content of the new Health Disciplines Act Mr. Elston has presented to you for your consideration. If this bill is passed, it will almost certainly mean the end of many small pharmacies and it will also mean much unemployed staff presently earning a living within the confines of these businesses." Again, we are talking about a pharmacy in a city of almost 50,000 concerned about not having the volume to be able to purchase the drugs it has to purchase to supply its customers, the patients, and not being able to make ends meet.

"Mr. Elston would have you believe that pharmacies are making huge profits because of price-spreading policies." Next is a four-word sentence with an exclamation mark, "This is not so$" This was said by just about every pharmacist who has taken the time to write to me and, I am sure, to all my colleagues.

"When the fee-and-cost pricing system was first instituted in pharmacies, many of us were 100 per cent in favour of it. It would give pharmacies a great professional aspect as well as protecting the consumer from having to pay excessive costs for expensive drugs. Since this inception, costs of drugs have greatly escalated, and we have many prescriptions selling for well over $50 and we still stay with a $5 dispensing fee."

Economics comes into play. We are dealing with situations where many of the consumers and the professionals who are involved are getting the very short end of the stick.

I have a letter from a consumer that I want the Minister of the Environment to note. It is not typewritten, but very well handwritten. It comes from Stella Montroy of Mountain, Ontario. Mountain is a little south and a little west of Winchester. It is a great little community. It has a lovely fall fair. They would have to drive to Ottawa if the pharmacy in Winchester should ever happen to close, heaven forbid. It is about an hour's drive one way.

Mr. Pierce: A nice Sunday afternoon drive.

Mr. Villeneuve: They are not open on Sunday afternoon.

Mr. Pierce: They are not going to be open at all.

Mr. Villeneuve: It reads, "Attention: regarding legislation concerning pharmacies, what is happening with our government today?" I wonder about that myself quite often. They seem to be isolating the professions. Members well remember that before Christmas the words "Queen's Counsel" disappeared from the dictionary. The words disappeared in one fell swoop.

Hon. Mr. Bradley: All the Tories lost their QCs.

Mr. Villeneuve: Goodbye. The government is now attacking our pharmacists, our doctors–

Hon. Mr. Bradley: Bring back the QCs that were really earned on merit.

Mr. Villeneuve: Yes. The government of the day is separating and attacking every different profession. I am concerned about agriculture. When are they going to jump on them?

Hon. Mr. Bradley: What are you doing about Sundays now? I see you want to open the stores on Sundays. What does rural Ontario think about that?

The Deputy Speaker: Order.

8:30 p.m.

Mr. Villeneuve: They have already put a very heavy burden on agriculture with the introduction of a spills bill without protecting agriculture. Liability insurance is going through the roof.

I am getting back to the drug problem. "I am really worried," says Stella Montroy from Mountain, "about the legislation the government is putting through concerning the pharmacists and how it will affect pharmacy. I am afraid that if pharmacies lose money they will understandably cut down on services and may even close their doors; disastrous to small communities such as ours. I see every day the services that pharmacists provide to my neighbours and friends and in particular to senior citizens. I have worked in a pharmacy in the past number of years. I certainly do not want to lose my job and it is very important to me and to the people of my community that pharmacists do make ends meet."

I have a number of telegrams that will possibly be overlooked because basically the message is the same. I am sure my colleagues in government have also received many of these telegrams. They express concern about what rural Ontario will have to live with: problems of no service or reduced service.

The dispensing of drugs is very important to the senior citizens in the riding I represent. As I said prior to the dinner break, we have gone ahead and built a number of lovely and comfortable senior citizens' homes in some of the small towns in rural Ontario.

Mr. Pierce: That was under the Conservative government.

Mr. Villeneuve: Yes, under a Tory government.

I do not know whether we are trying to discourage them or what, but if these small towns lose the pharmacies they now have, that will force some of the senior citizens to go to larger centres to live. No one on the government side seems to care about senior citizens. We have a minister who is supposed to be looking after the interests of senior citizens, but I have not heard him speak one word about the concerns senior citizens have expressed to my colleagues and, I am sure, to those on the other side of the House.

Hon. Mr. Van Horne: Mr. Speaker, on a point of order: I have not heard one question from the official opposition in the more than 50 days we have sat. How can one speak when one is not asked questions? Where have those guys been?

The Deputy Speaker: That is not an appropriate point of order.

Mr. Villeneuve: I am glad the minister made it just in time to hear that statement. I am still waiting to hear his statement about the concerns of the people his ministry represents. We will be watching the papers for some news releases from the minister. I appreciate that the minister is here and is listening.

This is from the Ingleside Pharmacy, a little pharmacy in small-town Ontario in a great tourist area. "Attached you will find a copy of a letter addressed to the Minister of Health, the Honourable Murray Elston. As you are aware, the minister has submitted some rather startling, in my opinion, proposals for legislation which would affect all pharmacies in Ontario and damage their ability to provide top-quality health care to the people of Ontario."

We are talking about dismantling one of the best health systems that exists anywhere, bar none. If this starts to degenerate and disintegrate, I do not know where it will stop. It is a very important subject to everyone, but in particular to senior citizens.

It goes on to say, "While there were some actions taken by previous Ministers of Health of your political persuasion with which I was prepared to take issue, there was never any possibility of a minister going off the deep end as the present minister seems to be prepared to do."

That is a letter from a constituent, a man who is in the pharmacy business, and he says the minister is going off the deep end. Draw your own conclusions, Mr. Speaker.

"I would hope, as your constituent, you will do all in your power to provide a sympathetic voice on behalf of pharmacists in your riding to make sure that this matter is raised in the Legislature and that this bill"–and again, this pharmacist is concerned–"will go to committee and receive a fair hearing."

I think there have been some communication problems, because I had occasion to sit in on the Ministry of Health estimates. The minister told us he was always prepared to go to committee. How did this message go out to all of our pharmacists so that, indeed, they were very concerned this may not go to committee and receive a fair hearing?

Mr. Wildman: The Conservatives gave them the wrong information.

Mr. Villeneuve: The Conservatives were simply watching what this so-called new alliance was doing. This new alliance was shoving–

Hon. Mr. Bradley: On a point of order, Mr. Speaker: One always has to word these carefully so that one does not say the member is misrepresenting the truth. Let me put it this way, so I do not say that–

The Deputy Speaker: Get to the point of order.

Hon. Mr. Bradley: The member is obviously not relating the facts as they are, because if he did, he would know the Minister of Health has indicated at all times that this legislation will be going to committee, as legislation of this kind normally would.

The Deputy Speaker: That is not a point of order.

Hon. Mr. Bradley: The Tories provided the wrong information to the pharmacists.

The Deputy Speaker: Order.

Mr. Villeneuve: Mr. Speaker, I am simply relating to you the perception that pharmacists in my area had obtained from the information, or the lack of information, coming from the new government allied with our friends to the left. It left them wondering and pondering.

At that point they had no one, no political party other than this one right here. The Progressive Conservatives were the only real alternative and real speakers for the people involved here. That is why they came to us.

I must tell the Minister of the Environment that when I sat in estimates of the Ministry of Health–and I do not recall seeing the Minister of the Environment there; I am sure he was busy–

Mr. Gillies: He was dispensing largess.

Mr. Villeneuve: He was cleaning up spills or whatever. I am sure he is very busy. It keeps him

quite occupied, with the number of spills that have occurred.

I was in those estimates, being a member of that committee. On a particular Monday morning, we received hundreds of telegrams concerning the very strong possibility at that time–I guess I have to say it was a lack of communication on behalf of the Minister of Health or the government in general. Why would the information be perpetrated throughout the industry that the minister was going to shove it through?

Hon. Mr. Bradley: It was deliberate misrepresentation.

Mr. Villeneuve: On a point of privilege, Mr. Speaker: I do not know what the Minister of the Environment means by "deliberate misrepresentation." I would like him to explain that to me.

The Deputy Speaker: No. I listened to it. He did not refer to any person or group when he stated those words. However, while I am on the point, I am hearing some words over here for the second time that are getting awfully close to being unparliamentary.

Mr. Villeneuve: Mr. Speaker, I want that to be on the record. When you say "over here," you are speaking of the Liberal benches. Is that right, Mr. Speaker? Are you speaking of the Liberal benches?

The Deputy Speaker: Order. Carry on with your speech, please.

8:40 p.m.

Mr. Villeneuve: Mr. Speaker, I am sure you will be pleased to know I am getting near the end of the correspondence I want to read into the record.

We have here a consumer, one of the people whom the Liberals are supposed to be concerned about, John Worrall from Avonmore. He says:

"No doubt you are aware of the Minister of Health's recent courageous act to protect the public interest by arbitrarily bypassing the negotiation process and imposing an unrealistic decision on the pharmacies and pharmacists of Ontario."

This is a consumer who is actually saying exactly what this party has been saying all along, namely, that the government is attempting to look courageous by trying to be white knights in shining armour to protect the consumer, while the consumers feel they do not need the kind of protection this government is attempting to provide, for the simple reason that they are very satisfied and happy with the services being provided in rural Ontario by the pharmacies and the pharmacists who live and work there.

I have a number of other situations, but I want to close by quoting again some really important facts from a pharmacist who has done a fair bit of in-depth study. He comes out with this:

"The Ontario Drug Benefit Act, 1985, would enable the Minister of Health to unilaterally set our professional fees. These clauses eliminate any meaningful negotiations between our association, the OPA and the ministry."

Therefore, we are talking about dictatorship right off the bat. I can accept setting the dispensing fees, but the dictating of the price of drugs is intolerable and unbelievable.

"Subsections 9(1), (2) and (3): This clause gives inspectors of the Ministry of Health enormous and unreasonable authority of search and seizure."

Are we in Russia? This is search and seizure of information that is confidential to the doctor, to the pharmacist and to the patient.

"In addition, the ministry at great cost would have to hire and train these people. Moreover, the Ontario College of Pharmacists, the regulating body, has inspectors at present, and this section takes away most of their authority."

This is a self-regulating group of professionals who are going to be dictated to by bureaucrats. What is this province coming to?

"Subsections 4(1)and (2) of the Prescription Drug Cost Regulation Act, enforced posting of prescription fees in front windows of dispensaries. Are we running an auction sale? No other profession is required to post fees. Also, it is meaningless because the final price will depend on acquisition costs, and large pharmacies and chains, buying for less, will have a lower final price."

Therefore, economics dictates that the little guy will just slowly go away and disappear. The big guy will take over. Competition will be eliminated. Who pays? Mr. Speaker, you know who pays. You and I the consumers pay.

Mr. Speaker, I have overstayed my welcome. I thank you very much for the time. It has been most encouraging to be able to present the concerns not only of the pharmacists, the professionals, but of the little people, the people in rural Ontario, whom I am so proud to represent.

Mr. Mancini: It was only a few short weeks ago–maybe a couple of months ago–that the member for Don Mills (Mr. Timbrell) made a public statement that said something like this, "The Progressive Conservative Party is not fit to govern." After listening to some of the speeches–

Mr. Newman: Who said that?

Mr. Mancini: It was said by the member for Don Mills. He said just a couple of months ago that the Progressive Conservative Party is not fit to govern. After listening to some of the speeches over the last couple of days, I have to say the member for Don Mills is absolutely right. The Progressive Conservative Party is not fit to govern.

If I were a pharmacist, I am not sure I would want the Conservative members speaking on my behalf. If I were a pharmacist involved in trying to lobby the government, I am not sure I would be confident in moving my case forward after listening to a lot of the BS we have heard tonight, and BS stands for Bette Stephenson. We have heard many allegations and distortions. As a matter of fact, all we have heard are allegations and distortions of the truth.

Mr. Speaker, as a former chairman of the standing committee on procedural affairs, and being very knowledgeable about procedural matters, you know very well—and I am surprised that some of your knowledge has not rubbed off on the Progressive Conservative members—and anyone who knows anything about parliamentary procedure knows that after second reading of a bill is completed, the Speaker asks, "Shall this be ordered for third reading?" The customary action and tradition of this Legislature is that someone says, "No, committee." Then the government House leader stands up and says: "Yes, committee. Which committee do you want it to go to?" Then someone else usually says, "We shall have the House leaders decide which committee it goes to."

This is customary parliamentary procedure. I am sure some of the new members over there are not aware of that, but I know members, such as the members for Wellington-Dufferin-Peel (Mr. J. M. Johnson) and Lanark (Mr. Wiseman), are very well aware of these parliamentary procedures. The member for Lincoln (Mr. Andrewes), the former Minister of Health, is very well aware of these procedures.

There was never a doubt that these bills would go to committee, for several reasons: (1) the customary parliamentary tradition; and (2) we are in a minority government. We are not ramrodding anything through. We are putting forward legislation and we are asking all members of the Legislature to participate in the committee system. We in this House cannot run the committee or the members assigned to that committee.

Mr. Speaker, you know yourself that what happens in a committee cannot even be raised as a point of privilege in this House. I am surprised the members over there do not realize that yet. It will be a committee that decides the structure of its work and how it plans to hold hearings. Members opposite should be aware of that.

8:50 p.m.

From day one it was automatic that this would go to a committee and that the committee itself would structure the rules by which it would operate. It would consult with all three House leaders and it would try to organize its business so that the regular business of the House and other committee work could proceed at the same time.

I want to address some of the other allegations and distortions that have been made. A couple of the members across the floor have said the minister has not met with pharmacists and has not talked to pharmacists. This is a complete untruth. The minister has met with members of the executive of the pharmacists' association. As a matter of fact, I believe the minister spoke to 300 pharmacists at a meeting in Barrie. That does not take into consideration the number of other delegations he has entertained, nor the meetings his officials have held, nor the meetings some members of the Liberal caucus and cabinet have held with local pharmacists.

Frankly, the members opposite can go on with these distortions and making these allegations, but the facts do not substantiate what they are saying. The facts will come out when we have the committee hearings and when people make their representations on how they want to improve the legislation.

One thing we have never said we would not allow is improvement of the legislation. This is a minority parliament. We are prepared to listen and to let the majority of the members on the committee decide whether the amendments are appropriate or not. It is not like the old days from 1981 to 1984 when nothing of what was concrete information, given by the opposition to the government, was ever taken under consideration. That is one of the principal reasons the members opposite are over there today and we are here.

Mr. Wiseman: You are only over there because of these fellows.

Mr. Mancini: Do they not count? Do those 25 seats not count?

I want to give these people another parliamentary lesson. The New Democratic Party counted between 1977 and 1981 when they, on occasion,

voted to keep the present official opposition in office. Now the official opposition is saying they do not count because they refuse to support their regressive policies. I say congratulations to the New Democratic Party.

As an individual member, I have had an opportunity to talk over the phone and to meet in my constituency office with individual pharmacists, and one Saturday morning I met with a group of pharmacists. I know some of the concerns they have and I am absolutely confident they will get a full hearing in the committee. I am absolutely confident every member in the committee will have an open mind and that if a case can be made for a proper amendment, then that amendment will be accepted by the majority of the committee.

There is one thing the Conservative Party has yet to recognize–

Hon. Mr. Bradley: Sunday shopping.

Mr. Mancini: Sunday shopping, for the member for Scarborough Centre (Mr. Davis), who has left.

The Conservative members still have not realized that in a minority parliament we have to get a consensus. The reason they have not realized that is they have never operated on a consensus basis. They have always operated on the basis in the past that they were in charge and that was the way it was going to be. I am told, getting back–

Mr. Foulds: The member exaggerates. Davis was in charge; no one else was.

Mr. Mancini: Davis was in charge, excuse me.

After the committee begins its work, we will obtain information from different sectors of society. Perhaps some of the consumers who wrote letters to the member for Stormont, Dundas and Glengarry (Mr. Villeneuve) will appear before the committee and give their views. Perhaps other consumer groups will appear before the committee and give their views. Perhaps representatives of senior citizen associations will appear before the committee and give their views. I am sure people from rural Ontario will appear to speak before the committee.

One of the things that distresses me the most in the debate, in my view, is the lack of concrete proposals that have been made by the members opposite. Instead, they have dwelt upon two consistent themes: (1) that the minister has failed to meet with the members and executive of the association, which is not true; and (2) that up until only a few days ago the bill was not even going to go to committee.

Those are the two concurrent themes we have heard up until tonight. Now at least the latter is changing somewhat. Now that those two themes have been dispelled and have clearly been proved untrue, we are anxious for and look forward to some of the thoughtful suggestions that members may have, as we are anxious for and look forward to some of the thoughtful suggestions other people may have.

The members who will serve on this committee will have a grave responsibility, because some of the problems they will be talking about were not created yesterday. They are problems that were allowed to fester and problems that people had to work around. Changing any system in which problems have developed and people have found a way to work around them is very difficult.

However, it will be done. We can do it and at the same time maintain rural pharmacies, allow for competition, save consumers money and have a system in place of which we can all be proud.

I do not know this for sure, but I am told that in the past one or two Ministers of Health had realized the problem and wanted to do something about it but were rebuffed.

Mr. Foulds: They were mugged.

Mr. Mancini: They were mugged in the corridors of power. I cannot prove that. These are statements that are made around the building; usually there is some bit of truth to them. However, if these former ministers had some terrific ideas and also some concerns, maybe we will hear them expressed at the committee.

I have great confidence in the Minister of Health. I respect the pharmaceutical association and the people who work–

Mr. Timbrell: Where is he?

Mr. Mancini: He is sitting under the press gallery. His attendance has been very good, I might add, but he has other things to do also, as the member opposite would know as a former Minister of Health. I am surprised that member would be the first to ask where he was.

I look forward to the process that is going to take place. It is a process that is normal and customary. I want the pharmaceutical industry and pharmacists to understand that this is parliamentary procedure. When the Speaker asks, "Shall it be ordered for third reading?" it is normal for it to be sent to committee. That is nothing odd or extraordinary.

The member for Don Mills knows that; he has been around here a long time. As a matter of fact, sometimes he is quite good in parliamentary procedure.

I have confidence in the minister. I believe he wants to improve the system. We know and realize we need the help of pharmacists to improve the system. We want input from consumers, from senior citizens, from pharmaceutical companies and from any other person who wants to make positive statements, particularly some of the back-benchers, maybe one in particular in the Conservative Party. They may want to make negative statements; I do not know. They may not want to make any positive statements whatsoever. However, a committee will be in place at which the members on the opposite side will be allowed to do this.

9 p.m.

I believe in the process, I believe it will work and I believe it will work in this instance to the benefit of the many who are concerned.

Mr. Gillies: In joining this debate on Bill 54, I wonder whether the House might indulge me for a moment. I learned in the past several minutes that our former colleague Margaret Birch, the former member for Scarborough East, was seriously injured in a car accident today and apparently has a broken back. I am sure all members of the House wish Mrs. Birch a very speedy recovery.

This is especially significant in view of the former member's concern for all areas of social policy when she was a member of this assembly, but especially for senior citizens. I suspect that if Margaret were still a member she would want to join the debate this evening, not to hurl accusations–that was not her style–or to engage in partisan jousting, but to talk about the effects of this legislation and what it will or will not do for the people of Ontario and for the people who use the Ontario drug benefit plan.

I would like to focus my remarks on that aspect of what we are about. I feel this debate has unfortunately degenerated this evening into a lot of accusations and name-calling. The situation is not helped by the kind of remarks just made by the member for Essex South. He was displaying the kind of myopic arrogance that has quickly become the hallmark of this government and that completely belies the 48 seats the government has.

It is that kind of myopic arrogance, that kind of closed-mindedness and that kind of callous disregard for the aspirations, wants and legitimate desires of ordinary people in this province that is quickly going to be the downfall of this government. I caution the member for Essex South to reflect on this, not just with regard to this bill but also with respect to all the workings of this Legislature.

The bill before us is a response by the Minister of Health to problems that exist and to problems that he perceives to exist with the Ontario drug benefit plan and with the dispensing of pharmaceutical products and prescriptions across the province.

Typically, the bill has been introduced with a singular lack of consultation and a singular lack of concern for points of view that may differ from those of the bureaucrats in the Ministry of Health who designed the bill, views that I believe differ with the magnitude of the problem. They have come up with solutions that go far above and beyond the requirements of addressing what every member of this assembly recognizes is the legitimate problem of the price spread.

I would like to go back to the statement made by the Minister of Health when he introduced this legislation. He was chatting with me a few minutes ago. I think he was fairly upset about some of the names he feels he is being called in this debate. I know the Minister of Health pretty well. We were both elected at the same time. The minister is not any number of things I have heard him called in this assembly. He is not a communist and he is not a fascist and he is not any number of these things.

The minister did meet with the representatives of the pharmaceutical industry and the pharmacists. However, while the minister met with the representatives and may have listened to them, he did not hear and he did not understand.

The legislation before us is tantamount to killing a fly with an elephant gun. I am sure that in one of his rare moments of lucid fairness, even the Minister of the Environment, for all his unparliamentary language earlier in the evening, would recognize that and leap to his feet in support of the arguments that have been made by this party.

Hon. Mr. Bradley: Is the member voting for the bill?

Mr. Andrewes: He is in charge of the elephant gun.

Mr. Gillies: My colleague the member for Lincoln points out that the Minister of the Environment has his finger on the trigger of the elephant gun, poised to shoot.

Mr. Speaker: Does that pertain to this bill?

Mr. Gillies: Speaking to Bill 54 particularly, I think the Minister of the Environment should put

some distance between himself and all the toxic substances to which he has been in close proximity in recent months.

In the minister's statement introducing Bill 54 and Bill 55, he made a number of statements which misrepresented, I am sure inadvertently, the history of the drug benefit plan and some of the problems that have come forward and led to this legislation.

The minister said: "The cost of financing the Ontario drug benefit program has been rising by nearly 23 per cent annually for the past six years, from $100 million to $350 million." Because of the thrust of this legislation, the implication is that this is the fault of the pharmaceutical industry, the pharmacists, the people dispensing to all of us and to our constituents across the province.

Let us put a couple of facts on the table regarding those increases. First, with regard to the increases over the years, the minister is quite correct; the scale of the increase is correct as he stated it. However, there are many explanations and factors I do not believe the ministry has taken into account, most evidently higher drug costs.

The average increase in drug costs of 12 per cent a year, on a compounded basis over the past five years was 75 per cent in total. Those were increases that were allowed by the ministry; it was a cost pass-through. Those were the increased charges that were coming from the pharmaceutical manufacturers and were being allowed by the ministry, often at the expense of increasing dispensing fees. Therefore, the pharmacists have not been the beneficiaries relative to the increase in the cost over the past five years. That implication in introducing this bill is unfair.

Let us talk about dispensing fee increases for a moment or two. The maximum dispensing fee under the Ontario drug benefit plan in 1978-79 was $3.27. In 1983-84 it had risen to only $4.65, an average increase of 7.2 per cent a year, compounded for a total of 42 per cent over five years which, with regard to the five years about which we are talking, did not even keep pace with the rate of inflation.

Mr. Mancini: Whose fault is that?

Mr. Gillies: Who are the bad guys in the increased cost of the drug benefit plan? I say to my friend the member for Essex South and the Minister of the Environment, it is not the pharmacists. The pharmacists should not be beaten up over this. The burden of the increased costs has been with the manufacturers.

Another factor the minister and his colleagues ignore is increased utilization. Ministry figures show an increase of 21.73 per cent in the average number of prescriptions provided to eligible people in the plan.

Hon. Mr. Bradley: On a point of order, Mr. Speaker: I have been listening carefully and I have not heard the honourable member say his party is voting for the bill. Will he say that some time during his speech tonight?

Mr. Speaker: That is far from a point of order. The member will continue.

Mr. Gillies: I say to the Minister of the Environment, I have been sitting in here with him for five years and I have never heard a clear, unequivocal statement from him; so please bear with me.

I was talking about increased utilization under the drug benefit plan. The number of eligible people in the plan has increased by more than 23 per cent. It is very clear the major reasons for the large-scale increase in the cost of the plan are not the pharmacists or the dispensing fees; they are other factors, such as utilization.

I could go on, and I will, because this issue deserves a full airing in this House. I am sure many of my colleagues will want to bring out all the points at some length about this legislation, as I will be doing, through this evening and in the days to come.

9:10 p.m.

Another factor is the greater number of drugs provided under the drug benefit plan. It has mushroomed over the years, and who can speak of this entirely negatively? Wonderful new products are coming on the market on a weekly or daily basis to the benefit of us all as advances in medical science benefit all our citizens and as more and more drugs become available to people to help them with the range of ailments from which they suffer. What is the scale of that? Again, the minister's own data reveal that in the same five-year period to which I was referring, the number of drug entities listed under the ODB plan has risen to 2,718 from 1,842, an increase of 47 per cent.

We have greater utilization, we have greater costs from the manufacturers and we have many more drugs available under the plan. We also have single-source products. This is very important. These are products for which there is no competition. Even under the minister's misguided legislation, he cannot go to another product to try to come up with the lowest-priced source, because the number of single-source products has risen to 1,493 from 911, an increase of 64 per cent, in five years. The frequency of special

authorizations for single-source drugs under the plan has increased by 67.4 per cent in the same five-year period.

This range of facts says to my colleagues, to my friend the member for Stormont, Dundas and Glengarry and the people for whom he spoke earlier and to myself, that we have a bigger and more expensive plan but also, to the credit of our former government and medical science in our province, that we have a better plan, with better products, better coverage and a better ability to treat the ailments our people fall prey to.

Let us all be proud of that. The Ontario drug benefit plan is better and more able to serve our constituents than it has ever been; so let us shelve for the moment any suggestion that the plan is weak or flawed or that its costs are out of control.

Hon. Mr. Bradley: Would you like to quote the Provincial Auditor?

Mr. Gillies: Let us talk about the Provincial Auditor, because my ever-articulate friend the Minister of the Environment raises that. I am going to go back to the minister's statement when he introduced this legislation. He said:

"Based on an examination of the July 1983 Ontario Drug Benefit Formulary, the auditor found the province of Ontario had incurred an estimated $14.5 million in excess costs under the plan as a result of high spreading practices. He also found, in a comparison of 30 high-volume, multisource drugs in the Ontario and the Saskatchewan drug benefit formularies, that the Saskatchewan formulary had a lower price for 80 per cent of the drugs."

I want to make a few points that should be made in reply to what the minister has said, in reply to the auditor's findings at that time and, of course, in reply to the Minister of the Environment.

I will preface that by saying the representatives of the industry, the representatives of the pharmacists with whom I have met and spoken, recognize the problem of the price spread. I do not believe there is any disagreement in this House about the problem of the price spread. However, as I will be going on to demonstrate, the legislation brought in by the minister goes far beyond and above the changes required to take care of the problem in the price spread, which I believe could be resolved by regulation and which would make the kind of draconian measures brought in under Bill 54 completely excessive and unnecessary.

In response to the minister's statement and to the findings of the auditor, we should look at the pharmaceutical association's response to the Provincial Auditor, which expressed anger. It also listed a number of reasons for the disparity in many of the prices between Ontario and Saskatchewan. There are about six or seven points here. They are very important and I would like to go through them.

Mr. Philip: It has not been dealt with by the standing committee on public accounts.

Mr. Gillies: It has not been dealt with by the public accounts committee, and as a member of that committee I can tell my colleague the member for Etobicoke (Mr. Philip) I look forward to that discussion.

However, in this response to the Provincial Auditor from the pharmaceutical association, to whom I am sure my friend from Etobicoke would want to give a very fair hearing, I would make the following points.

First, "The province of Saskatchewan Ministry of Health tenders for a single supplier of each interchangeable drug for each six-month period, thereby assuring the low bidder a tied house contract for all the province's requirements for that product for the period in question."

It is a completely different system from the one we have in Ontario.

Second: "Saskatchewan does not provide any purchasing advantage as a result."

Third: "The successful low bidder has no selling or distribution costs to account for in Saskatchewan."

Again, this is unlike the Ontario drug benefit plan, and if the Minister of Health intends to change that, it would behoove him to bring that to the House's attention.

Hon. Mr. Bradley: Is the member voting for the bill or not?

Mr. Gillies: Rather than hide under the cloak of just criticizing or comparing the two plans, I suggest that my friend the Minister of the Environment tell his seatmate the Minister of Health that if the minister has any plans to change that fundamental difference between the two plans, he should tell the House.

Hon. Mr. Bradley: Is the member voting for the bill?

Mr. Gillies: Mr. Speaker, I know you are trying to get the attention of the Minister of the Environment so he will stop disrupting the House.

Mr. Ashe: He has been sniffing glue lately.

Mr. Speaker: I was going to tell him he is becoming very repetitious.

Mr. Gillies: Fourth, in terms of the very different nature of the Saskatchewan plan from

the Ontario one, which I was trying to discuss before all the very rude interruptions by the Minister of the Environment, "Many manufacturers bid at or near their costs in order to retain a presence in the province of Saskatchewan for their product, recognizing that the Saskatchewan market is less than five per cent of the total Canadian market."

If one talks to people in the pharmaceutical industry, with all respect to the great province of Saskatchewan, the large pharmaceutical companies will almost use the province of Saskatchewan as a loss-leader to get the product distributed on a wide basis in a province-wide plan so the more populous markets, such as Ontario, will become aware of the product and will want to utilize it. As the most populous province in the country and the greatest utilizers of pharmaceutical products, we will never have that luxury.

Fifth, "Saskatchewan has a very high incidence of no-substitution prescriptions–20 per cent, compared to less than one per cent in Ontario." That is another significant difference, which obviously would affect the cost patterns of the plan.

Sixth, "According to a study conducted for the Saskatchewan Minister of Health in August 1983, Saskatchewan's pharmacists are grossly undercompensated because of nonexistent product markup to cover inventory investment and carrying costs."

This is a study done for the minister in that province, the province held up as the great example by the Minister of Health in this province. A study done for that government says that they are undercompensated and that one of the flaws of the plan in the province is that it is not adequate in its compensation.

Seventh and last in this list of points on the comparison, "Saskatchewan exports almost half of its graduating pharmacists every year to other jurisdictions with more realistic conditions of practice."

I know my friend the Minister of the Environment will be astonished to learn this about that great province, which is held up as an example by our friend and his seatmate the Minister of Health. How does he feel about that province having half its talented young graduate pharmacists move to places such as Ontario, where they feel the industry is more properly regulated and where costs and expenses are more realistically recognized? I can see this revelation has shocked the Minister of the Environment into a sudden silence.

Mr. Andrewes: He has put down the elephant gun and picked up a pot of glue.

Mr. Gillies: He has put down the elephant gun and picked up a pot of glue. That is right.

We can talk about comparing the plan in Saskatchewan with that in Ontario, but I feel the most compelling arguments about the deficiencies and flaws in this bill are the arguments made earlier by my colleague the member for Stormont, Dundas and Glengarry. The very real concern and upset being felt in our communities across the province is not only because of the legislation but also the way the government brought it in.

9:20 p.m.

We have a government in Ontario right now that will launch into a chorus of, "Are we not wonderful? Are we not open? Are we not approachable? Are we not fair? Are we not refreshing? Are we not the greatest?" at the drop of a hat or at the drop of a $1,000 cheque. There are days when it really tries the patience of a member of this party who knows what is really going on. Even in the way this bill was introduced, the sneaky and underhanded way–

Hon. Mr. Bradley: You are voting for the bill then.

The Deputy Speaker: Order. I would like to say to the Minister of the Environment that I have heard the same comment many times and I hope I do not hear it any more.

Mr. Gillies: Thank you, Mr. Speaker. I completely concur with your point. I was just hoping it would be long enough for me to find a piece of paper I am looking for, but it was not.

There are words we cannot use in this House. There are words my friend the Minister of Agriculture and Food (Mr. Riddell) would never use in this House, such as "duplicitous," "underhanded," "sneaky." I would never use those words with reference to any member of the government or any honourable member of this House. They are terrible words. However, these are the words that come to mind when we see the way the government brought in this bill.

Mr. Philip: Such as the words he used in public accounts.

Mr. Gillies: My friend the member for Etobicoke is so frustrated about having to support this legislation, because he knows how bad it is, that he is having to speak out in his frustration and disgust.

When the bill was introduced in early November with the usual heralding trumpets and outriders, the government talked about all the

debate and consultation that would be available on this legislation. They sneaked it in a week before our party's leadership convention. They called it for second-reading debate days after that convention. They left all the groups that are legitimately concerned about this legislation spinning in the breeze and wondering what was going on. This government, in what even for it was an unusually stealthy and cunning mood, honestly thought it could get away with it.

I can just picture it now. We are up on the 22nd floor of the Hepburn Block, I believe. The Minister of Health can correct me.

Mr. F. S. Miller: The 10th floor.

Mr. Gillies: My colleague and former leader, the former Minister of Health, corrected me. It was the 10th floor.

Mr. Foulds: They are in the clouds anyway.

The Deputy Speaker: Now that that decision is made, how about getting on with the bill?

Mr. Gillies: Let me try to get it back. Let me try to set the mood again. I want every member here present to come with me now. We are getting off the elevator on the 10th floor. As we walk through the plush carpeting into the minister's fabulous suite, the minister is closeted in his office with his deputy minister. Allan Dyer is sitting there, biting on his lip he is so excited about the bill. The assistant deputy minister is sitting next to him, his hands perspiring with anticipation, he has been working on this so long.

The minister looks across the desk at the deputy and the assistant deputy. Fresh from a weekend in the riding and eager to do all sorts of wonderful things for the people, the minister says: "How are we going to pull this one off, guys? You know this is a weak bill. You know we are killing a fly with an elephant gun. You know we are never going to get away with this. How are we going to do it?"

One of his advisers, eager for advancement, leaps forward, his red tie fairly choking him at the neck, and says: "Minister, we will sneak it in just before their leadership convention and we will try to slide it by. We will sell them the usual line that we have a poll up our sleeves showing that this would be very popular and they will collapse like a house of cards. We will pass it in no time. Unless we are really caught, maybe we will even slide it by without any committee hearings."

The minister breaks into an angelic smile; this is it. He says: "Allan, we are going to do it. Crank up the presses. Put out a release. Call a Liberal Economic Advisory Forum dinner for next week before the pharmacists catch on to it. Get a few bucks into the coffers before they get too mad. Let's go for it."

The minister sits here in early January wishing he was on the beach in Florida and shaking his head because it did not work. He did not get away with it. I have to give him marks for trying. It was a hell of a good try. I cannot use that word, Mr. Speaker; it was a heck of a good try.

It did not work. Suddenly, the people most affected by this most unwise legislation caught on to what was going on. One day before the bill was introduced into the House, in what can only be described as an absolutely uncannily insensitive move, they were invited to consult. A letter went out to all the pharmacists saying: "We are going to introduce some legislation to take care of the price spread and a few other problems. We invite your participation and consultation on this matter." Then the next day they introduced the bill.

That is consultation in Liberal Ontario. That is listening and open government circa David Peterson 1985. That did not work either. I do not know what they thought they were going to get away with. They are not dealing with a bunch of dummies. They are dealing with the pharmacists of this province who have worked over the counters and in their laboratories for years; they are not dealing with stupid people. They are dealing with professional people who know their business; they know their customers and what is good for them and what is not. The government is not going to fool them with that kind of trick. Anyway, it did not fly.

9:30 p.m.

Here we are in January in what has unfortunately become a fairly acrimonious debate, for which, I caution my friend the Minister of Health, he is largely responsible and he must not shirk that responsibility. I have not been here as long as some, but in this business the chickens always come home to roost.

The minister introduced this legislation, which will fundamentally change the relationship between the client and the dispenser, fundamentally change the ability of a physician in this province to prescribe a drug for his or her patients–not a drug arrived at by a bureaucrat, not a drug that is decided upon by the Ministry of Health or by somebody in the Hepburn Block, but the drug the physician wants his or her patient to have for any number of reasons. That relationship is being changed by this legislation.

There are any number of drugs on the market in this province and many of them are similar. If

one talks to doctors or pharmacists, the professionals, they will say there can be very subtle differences between reasonably comparable drugs. There can be a very close proximity between those drugs, but one can have a side effect on a patient that another very similar drug does not have. With some patients, changing the drug prescribed to another very similar drug can also have side-effects and serious implications for the patient.

Under the legislation contemplated by this government, I believe–and I do not say this in a partisan fashion, I say it very seriously–the ability of the physician to prescribe the suitable drug for his or her patient changes, albeit very subtly. I would urge my friend the minister, if he changes nothing else in this bill, to please look at that section again. There is grave concern among the pharmacists of this province and among many in the medical profession about that aspect of his legislation and I urge him to take another look at that.

I have somebody very close to me in my family who is very sick and has been on a number of medications for a number of ailments for some years. I am talking about my own mother. I know that when my family doctor changes a drug on which she is dependent, it is done very subtly.

With some diseases, one is always trying to strike a very delicate balance between different prescriptions and different drugs and the effects they can have. The minister knows this. One can be taking one thing for arthritis that can have a very serious effect on something else one has to take for migraine, and vice versa. Sometimes just changing, oh, so subtly, one of those medications–the dosage or the frequency or the very product from one prescription drug to another closely approximate generic drug–can be injurious to the patient. These changes can have very serious side effects on a patient.

I will leave it at that. I urge the minister to take another look at that because when he says the ministry can have the power to substitute a lower-priced product because of his probably legitimate perception that it is a better deal for the ministry and for the consumer, he can be changing the medical effects of that medication, very subtly, but he can be changing them.

During the course of our consideration of this bill in the last several months, I have had the opportunity to talk to people from several companies who are connected with the manufacturing of drugs. I have had the opportunity to talk to pharmacists and, while I am not an expert–I would never pretend to be an expert in this area–they tell they are very concerned about it.

There are a couple of other implications to the legislation. I wonder if the minister has thought about them. Both the Premier (Mr. Peterson) and my former leader, the former Premier of this province, in turn have expressed the position of the government of Ontario regarding free trade and the concerns of this province about free trade, the job implications and so on.

I would put it to the minister that there is an implication in terms of free trade and the health of the pharmaceutical manufacturing industry in this province that will be affected by his legislation also because of several things I am told by the people in the business. One is that the pharmacists who produce name-brand drugs, the smaller Canadian companies for the most part, do about 99 per cent of the research and development in the drug industry in this country. I am led to understand the producers of the generic drugs do about one per cent of the research and development. More of the lower-priced generic drugs come across the border from the United States.

By changing the program, as the minister does in Bill 54 and Bill 55, he can affect the pattern of consumption of pharmaceutical products. I believe he could inadvertently encourage the greater use of imported generic drugs to the disadvantage of the Canadian industry, which, I remind the minister again, is doing the bulk of the research and development.

There are companies in our own province developing new products all the time to try to attack diseases about which we are all concerned. Some are doing research related to cancer, to acquired immune deficiency syndrome, to any number of things. We want them to be able to continue that very valuable work.

Interjections.

Mr. Gillies: My colleagues are chiding my friend the Minister of the Environment, who has been very good for a while. I think it is because he is trying out the Premier's chair.

Mr. Andrewes: Look where he is sitting.

Mr. Gillies: He is sitting in the Premier's chair and it does not look all that bad, but the minister should not get too anxious.

I believe the last thing the Minister of Health would want would be for the pharmaceutical industry in Canada and Ontario to have to curtail any of its research; to have to stop any of the work it is doing in any number of areas of research valuable to the progress of medicine in our country. The minister will know some of that

research is financed by our governments, provincial and federal, some by our institutions of higher learning, our universities, but some of it is also financed by the pharmaceutical industry itself out of the profits made by selling its products in our country. I am sure the minister would not want to hamper their ability to do that to the benefit of the companies which produce generics–which, as I understand it, are more likely to be imported–and do not do as much research and development.

The industry has a great many concerns; those are a couple of them. The pharmacists themselves and the people who use pharmacies have some others. The minister has heard about these because we have been trying very anxiously to bring these concerns to his attention.

Some of the minister's colleagues in the governing party have been suggesting our party's approach on this bill has been alarmist. They have been trying to suggest we are blowing things out of proportion; that the concerns being brought to us by consumers and pharmacists are in some respect not legitimate. I do not want to impute those sentiments to the minister himself, but I have heard it from some of his colleagues.

One of his colleagues was calling pharmacists–what was it?–peanut vendors, saying the person to whom we entrust our health when we are prescribed a drug over the counter was probably shuffling peanuts and razor blades with the other hand. I believe that was roughly what the member for Kitchener (Mr. D. R. Cooke) said.

It betrays a complete lack of understanding of the profession of pharmacy in this province, and I would urge the minister–as one of his many jobs must be the education of his caucus–immediately to inform the member for Kitchener that pharmacists are not peanut vendors and they are not sellers of razor blades. Pharmacists are trained people whose job is to fill the prescriptions our physicians make out for the good of our people, and they are well trained and for the most part experienced in doing that.

Mr. Haggerty: I go into the pharmacy and I can pick up a pipe wrench.

9:40 p.m.

Mr. Gillies: Sure, one can buy a pipe wrench in a drug store; I am not saying one cannot. However, when a member suggests that the guy behind the counter who makes out the prescription when he needs one–if he ever does, and I hope he does not–is just fit to sell razor blades or peanuts, I do not think that member thinks that and I do not want any of his colleagues to think it either.

I believe many people in this province enjoy a different relationship with their pharmacist, a relationship which is quite different from the purchase of a pipe wrench, a peanut or a razor blade. I know the small pharmacists in my constituency of Brantford exercise particular care when they deal with the people they feel are most dependent on their expertise–senior citizens, people with serious ailments and people with multiple ailments.

They are not selling peanuts. When senior citizens go into Cowell Pharmacy Ltd. on Colborne Street West in Brantford and walk up to Ron Cowell, Peter or one of the other pharmacists in that store with their prescription for their very serious ailment, I know that pharmacist spends a little time with them. I know they talk with them about how they are feeling and they are very careful about filling that prescription. It is a very serious responsibility. It is not like selling peanuts or razor blades. For it to be suggested otherwise does a disservice in this chamber.

When the pharmacists come to the representatives of the people who sit in this chamber, and when they come and talk to us in this party about the list of concerns they have with this legislation, I, for one, listen. I listen just as seriously to them as I would listen to any other professional or any other person with expertise in a certain field who brings his concerns to us.

What do they say? They are very concerned. First, they say, "We know the spread pricing is a problem and it should be addressed, so let us get that off the table from the start." They go on to say that the proposed legislation addresses issues that go wildly beyond that of spread pricing. The government is intervening in the marketplace to an absolutely unreasonable degree. It is intervening in a way they believe will hurt innovative manufacturers, the ones doing the research. They feel it puts the innovative manufacturers and the concerned researchers at a disadvantage vis-à-vis the generics and the copy-cat drug artists, etc.

Mr. Foulds: Who brought in rent review?

Mr. Gillies: What on earth has this to do with rent review?

Mr. Foulds: That is interfering in the marketplace.

Mr. Gillies: I am so completely immersed in the concerns and the problems about pharmaceutical dispensing in this province that I cannot even think about rent review now. The member for Port Arthur has lost me. I am sorry. Let me think about it.

Mr. Foulds: Does the member not see any parallels with respect to controlling the market?

Hon. Mr. Van Horne: The member has them all here.

Mr. Gillies: I say to my friend the minister responsible for seniors' affairs that he–

Mr. Foulds: The member for Brantford is voting for this bill, is he not, in spite of all this talk?

Mr. Speaker: Order. We were getting along fine a few moments ago.

Mr. Gillies: What is that?

Hon. Mr. Van Horne: Whatever it is, drag it out.

Mr. Gillies: The minister, of all members of the government, should be concerned about this because the vast majority of the people we have had contact us who are concerned about this legislation are the senior citizens. The people who most often are most dependent on prescription drugs in this province are senior citizens.

Hon. Mr. Van Horne: On a point of order, Mr. Speaker: When the member for Brantford speaks of what I should know, I remind him that my father is a pharmacist and that I know much more whereof they speak than he does.

Mr. Gillies: That is even worse then, because the member for London North should know better. When he sits on his father's knee and his father tells him, "Ron, I am really excited and I am so proud of your being a cabinet minister," I am sure he should know better than to try to foist this kind of legislation on the pharmaceutical industry. That is no defence. He has no defence now because he should know better.

Mr. Epp: But the member opposite should not know better. Is that right? Why should he not know better?

Mr. Gillies: I learned years ago never to try to fight a two-front war. I am not even going to try.

The legislation the minister has brought in is of great concern to the pharmacists and to many of the people who use their products–the elderly, the infirm, the bedridden, people who are not able to go to the pharmacy themselves to get their prescriptions.

My colleague the member for Stormont, Dundas and Glengarry has touched on this. However, let us go the extra step at which a senior or someone otherwise not able to go to the pharmacy entrusts to a friend, a relative, a social worker or a neighbour to go and do that for him, and this person goes into the pharmacy and may not be particularly conversant or familiar with the product his friend or the person in his charge is using. That is even worse. One is sending a third party to deal with a pharmacist who may have been instructed by the bureaucracy of the Ministry of Health to substitute another drug, while the patient is not even there to try to correct the situation at the time of the transaction. That is even worse.

There are people with any number of disabilities or handicaps, as the minister well knows, who may not be quite aware of the nature of the drug when they take it. I would suggest to the minister that it is absolutely the worst-case scenario, in that someone who is not able, for whatever reason–mental incompetence, vision impairment or whatever–to differentiate has bought a drug he has trusted his pharmacist to prescribe, as his doctor has always prescribed it, yet it has been changed or substituted for because of the minister's legislation, and he takes it, possibly without knowledge of the change.

I do not think this is what the minister intends with this legislation. I hope it is not what he intends and I urge him to look at that. I urge him to have his officials go back again at that one.

Questions come from people concerned about the legislation, and they are not only about Bill 54. We will be talking again, when Bill 55 is called, about the intervention there. That one, in a way, is even worse. It is even worse because it does not deal with the Ontario drug benefit plan. It does not deal with a plan under the direct jurisdiction of the government of Ontario.

There we are talking about people who are just buying a prescription drug prescribed by their own physician for their own use. Again, the long arm of the minister and the long arm of the legislation are going to be right in that pharmacy, making decisions that come between the doctor and the patient, making decisions that come between the intentions of the healer and the need of the person being treated.

Mr. Laughren: Does this mean the member is voting against it?

Mr. Gillies: Who said that?

Mr. Foulds: How is the member going to vote on the bill?

Mr. Gillies: We will get to that. In a way, that is even worse, so we will come back to it when we get to Bill 55. However, I wanted to touch on it now because the two bills are so integrally locked together that they go hand in hand, and I would suggest it is a rather unholy alliance.

Then we get to the question that has been raised by pharmacists across this province and that has been brought to the attention of members

of this House across the province about the very future of the small, neighbourhood, and often family-run pharmacy.

There is a feeling abroad and there is a very strong indication in the industry that the legislation brought forward by the minister is going to work to the detriment of those small pharmacies, the old neighbourhood pharmacies, the ones that people in smaller communities like mine go to because they know, they trust and they have a relationship with the pharmacist.

9:50 p.m.

There is a very strong feeling that this legislation will hurt them and will hurt their ability to continue to do their work vis-à-vis the larger chain drug stores that are more liable to have special price deals with the pharmaceutical manufacturers and large-scale purchasing arrangements that the small neighbourhood pharmacies do not have.

We have to wonder about the future of the small family-run pharmacy. There is concern to the extent that hundreds of pharmacy students from the University of Toronto marched on this Legislature to express their concern about the actions being taken by this government.

I dare say some of them live in St. Catharines, as my friend the member for Durham West (Mr. Ashe) points out, and some of them live in the minister's riding. They are confused and upset. They cannot understand the draconian steps being taken by this government, which they feel are going to hurt their future careers.

I went out on the front steps that day with my leader. It was the first day our new leader was here at the Legislature and he went out.

Hon. Mr. Bradley: Which leader?

Mr. Gillies: Believe me, they are all going to know who. Do not worry about that.

The students were saying: "Mr. Grossman, what is going on? There was an election in this province. We had a government come in that promised consultation, openness and new directions. Mr. Grossman, we do not understand what is going on because the government will not talk to us. This new Liberal government has come in with draconian legislation, without consulting, circulating or trying to educate the industry as to what it is all about."

They could not understand why the Premier or the Minister of Health wanted to do it to them and they could not get any explanation. That makes a sham of this government's contention that it is in any way listening to the people and it makes a sham of its contention that it is open and accessible. In fact, this government is running a closed shop with blinkers on a mile wide.

Hon. Mr. Bradley: Are you voting yes or no?

Mr. Gillies: I say to my friend the Minister of the Environment, who has woken up again, to enjoy the polls while he can because he is not fooling many people any more. They bring in a bill on a Tuesday, invite consultation on that bill on the Monday, then want second reading on it a week later while we are tied up in a leadership convention and think they are going to get away with it. It does not wash.

The Acting Speaker (Mr. Morin): Order. Come back on topic, please.

Mr. Gillies: Mr. Speaker, I am very much on the topic.

I say to my friends opposite that they are not fooling many people any more. It is fine to smile and put out press releases, but they are running the most closed, narrow-minded government over there that I believe the people of this province have seen since Confederation.

They are running a shell game. It is a government that is open all right, open to anyone who has a $1,000 cheque burning a hole in his pocket and a red tie in his closet. They are not fooling the consumers of pharmaceutical products who have had an opportunity to talk to their pharmacist or doctor about this. They are not fooling the manufacturers and the pharmacists. They are not fooling us. They should not give us that stuff about open and accessible government—no doors, no windows and all that stuff. It may have washed in the fall, but it does not wash any more.

The legislation before us puts the onus of product selection on the consumer who, for the most part, has the least knowledge about the medication and has the most at stake. It does not put the onus on the physician who has the greatest knowledge and the greatest ability to judge these matters. It puts the onus and responsibility on the weakest person in the chain, which is what has become very typical of the way this government operates. It loads it on to the person who has the least information at hand.

Hon. Mr. Bradley: The Tory leader.

Mr. Gillies: No, the consumer, because then the government says, and the bureaucrats in the Ministry of Health say: "Is this not great? We are going to save money, score some public relations points, make the minister look good and the consumer will not know what is going on, so we will never get called on it."

Of course, they were not counting on our party or the industry finding out very quickly exactly what they were up to. They are not fooling anyone. The consumer is hampered. The liability for product selection has been legislated away. The liability has gone. If a mistake occurs under the minister's bill, it is no one's fault. It is not the manufacturer's fault, it is not the pharmacist's fault, it is not the minister's fault and it is not the consumer's fault because the liability for product selection has been legislated away.

If something goes wrong, it is no one's fault. How can my friends in the third party, who all espouse things they believe are important to the little guy, agree to the onus being put on the weakest and the least equipped people to make a judgement in these matters, the consumers, and to the liability being legislated away?

Mr. Philip: How about the seniors? You guys want to let them have opted-out drugs.

Mr. Gillies: Why does my friend the member for Etobicoke want to take the responsibility and the onus for selection away from the physician who is armed with the greatest tool, knowledge? Why take the responsibility away from him and put it on the consumer? The member for Etobicoke knows that it does not make any sense at all, but he sits there quietly propping up the government yet again.

We see no recourse for damages to the consumer, and the consumer is further hampered in not being able to select the medication of his choice. Some day I am going to drop into a Liberal Economic Advisory Forum dinner and tell some of the business people this one. They will love it. I say to the member for Stormont, Dundas and Glengarry that this is the Liberal Party circa 1986.

The consumer is further hampered by not being able to select the medication of his choice even if he pays the difference from his own pocket.

Mr. Ashe: I do not believe it.

Mr. Gillies: Frankly, I buy it from these guys. This is how far the Liberal Party in 1986 has sunk.

Even if the consumer believes the other product is the one he wants, even if his physician believes it and even if he wants to pay the difference out of his own pocket, he cannot. That is Liberal democracy in 1986. It is absolutely incredible.

10 p.m.

Let us talk about some of the hazards to the patient, to the consumer. As I mentioned before, most of the recipients of the Ontario drug benefit plan are seniors; they are the elderly, and they are taking multiple medications. Again, the potential confusion for a senior citizen on multiple medications because of drug substitution is going to lead to increased concern and anxiety among our seniors. I am sorry the minister responsible for them has left, because I imagine he has heard this from his pharmacist father.

There is going to be a feeling among many of our seniors that a lot of things are being taken out of their hands. Any member of this assembly knows how much a senior citizen who is in need of medical attention relies on the knowledge and goodwill of his or her physician. We all know that. We see it in our constituencies. We see it in our own families. That relationship is being changed.

I have had more than one senior citizen phone me, saying, "I am really concerned." They are concerned that some matters regarding their medications are being taken out of the hands of their physicians and being put into the hands of the government. One senior told me on the phone about two weeks ago, during the holiday period, she was very worried that she was going to start getting second-class health care. She said:

"When you go up there to Toronto, how can you sit by and watch this happen? The Ministry of Health is spending all of these billions of dollars and people are having difficulties in some communities getting into hospital beds and all of these other concerns in health care. Why do you politicians want to load one more aggravation on a poor old senior like me and have me worrying about whether I am getting the right medication?"

I said: "Ma'am, I do not want to do that. We do not want to do that to you."

I believe the best person to prescribe medication for me and to decide what that medication will be is my doctor. With the greatest of respect to my friend the Minister of Health, it is not he, it is not Allan Dyer and it is not anyone else in the Ministry of Health; it is my doctor. That is probably true for our senior citizens.

Another concern is the increased cost to physicians and again all the implications this has for the Ontario health insurance plan. The government is obviously concerned about OHIP. It is taking its approach on the OHIP problem, and that is other legislation. We had concerns about OHIP, and we took our approaches, but this is just one more thing.

Physicians have indicated to us that changes in medication result in increased patient phone calls

or visits to the physician for clarification and assurance that the changes in colour, shape and size of the medication are all right. It is obvious; let us walk through it. Senior citizens cannot get out of the house, so they send somebody to get their prescriptions for them. The prescriptions come back. They are not quite sure, but they think they are different pills from the ones they had last month. What is the first thing they are going to do? Possibly they will call the pharmacy but just as likely they will call their doctors.

The doctors are so darned mad at this government right now that people may not get the information they want on the phone. The senior is going to have to get dressed up, get in a cab and go down to his doctor. It is one more fat bill to OHIP. Why? It is because the Ministry of Health decided they needed pill X and not pill Y.

Our seniors are heavy consumers of OHIP health care and, God bless them, I am glad of it and glad we have it. It is probably the finest system of medical care in the world, and we should be proud of it, but it is one more burden on OHIP and it is an unnecessary one. Why is it going to come about? It is because the minister has put the long arm of the government into that relationship between the patient and the provider of health care.

That begs the general question: Who makes the decisions relating to the health care of patients in this province? Are they being made by the person in whom the patient placed his or her trust, his own physician? Is that the hand that is being strengthened through this legislation, the hand of the person who knows the patient, the family, the situation, the community and the context of the illness and of the medication?

I do not think so. I think quite the reverse: That is the role that is being weakened in favour of the intervention of the ministry. It is as simple as that. It displays a distrust by the government of the doctor's ability to care properly for his or her own patients. I might add that this same distrust of the profession is cropping up elsewhere in this government's legislation regarding health care.

There are other things in the bills that do not seem to make sense. Let us talk about liability. The government is promising in the legislation that pharmacists and physicians will not be liable in any action where an interchangeable drug is dispensed. I then ask the minister, what protection and rights will the consumer have? Where is the protection if that liability is removed and if the substitution is made, not by the physician and not by the patient's informed choice but by the ministry, and since the first thing governments do–heaven only knows, governments of all stripes–is to remove themselves from any liability, saying: "There it is; but wait a minute, it is not my problem. There you go, sucker"? Where is the protection for the patient? Where is the protection for the consumer of the product?

We hear that through this legislation there will be forms. They are going to have forms coming out of their ears. "Patients will be faced with receiving different forms every time a prescription is refilled, since pharmacies will keep less inventory of each drug and will refill prescriptions of product at the currently lowest acquisition cost." This is a substitution in the drug itself and a substitution in paperwork, because it will not be straight renewal; it will be a change in the medication.

This is a slight change perhaps, but because we do not live in a perfect world, we have to wonder in how many of those instances, when the patient goes back for a refill and the pharmacist is pretty sure the drug he is about to prescribe is comparable–but it may not be–how many of those calls will have to be rerouted to the physician. How many of those cases will have to go back to the physician? How many patients will have to go back to the physician, to the inconvenience of everybody and at the expense of our Ontario health insurance plan?

Mr. Laughren: The member for Muskoka (Mr. F. S. Miller) wants the floor. Will the member give it to him?

Mr. Gillies: At any time. Does the member want the floor?

Mr. F. S. Miller: No. I am patient.

Mr. Gillies: No? Good. I will tell my friend from the third party that I am drawing to a close. However, I want to take a few moments to try to impress something upon the member for Nickel Belt (Mr. Laughren). He is a reasonable man, an understanding person generally. Now that this is in Hansard, I have to qualify it immediately by saying that, naturally, any Progressive Conservative candidate in that riding would probably be better.

The Acting Speaker: Please address your remarks to the chair.

10:10 p.m.

Mr. Gillies: Thank you, Mr. Speaker. We have tried to enumerate some of the problems with this legislation. We have tried to demonstrate the weakening of the physician-patient relationships, the possible increased costs to an overburdened health care system and the confusion and anxiety that may be caused for some of

the most vulnerable people in our society: people with multiple illnesses, the bedridden, the housebound and the senior citizens.

Now that we have demonstrated these things, I have to say to my reasonable friend the member for Nickel Belt, to his friend adjacent to him and to all the other members of the third party that they cannot support this legislation unamended. I refuse to believe it.

Mr. D. S. Cooke: What is the member doing on second reading?

Mr. Gillies: I believe my friends the member for Windsor-Riverside (Mr. D. S. Cooke) and the member for Nickel Belt are going to get together and say: "My gosh, did you hear all those problems? Can we really go along with this? Maybe we should caucus this again. There are going to be all kinds of problems for the ordinary people of this province, the people we try to look out for. We did not really contemplate this. When the Minister of Health first brought it in, at first glance it looked like a pretty good idea, but there will have to be some changes."

Mr. D. S. Cooke: That happens in committee.

Mr. Gillies: My friend the member for Windsor-Riverside will say, "Thank goodness the official opposition made such a strong case for full public debate in committee and for public input on these bills so that we, in combination with the official opposition, will have an opportunity to make the changes that are needed." I can almost hear him saying it right now.

Those are some of the concerns we have. The minister has looked at several legitimate problems and has completely overplayed his hand. He thought he did so with a timing, a procedure and a finesse that was close to sneaky, but it did not quite work.

We insist that these bills and the legitimate concerns that surround them be given a full public hearing. We insist that we have the opportunity to move amendments to this bill so the concerns of the consumers, of our constituents who have contacted us about this legislation, of the health care professionals who are concerned about this legislation and of the members of this House can and will be addressed.

We as a party take pride in having forced the ministry into this course of action. We take pride that there will be full public hearings on these bills. We will be moving amendments to try to minimize the damage that could be done by Bill 54. We will be looking for a response from the Minister of Health to some of the issues we have raised surrounding this legislation.

Mr. Wildman: I am going to participate in this debate briefly. I am very interested in the legislation proposed by the government. I participated in the Ministry of Health estimates along with other members to raise concerns that had been raised with me as a representative of a rural area with a number of small communities and municipalities. I have listened very carefully to the debate, the arguments and the concerns raised by members of the Conservative Party.

I am concerned about this legislation. I recognize there are problems that have to be resolved with regard to the price spread. I am also concerned about the viability of small pharmacies in small communities. For those reasons, I want this legislation to go to committee and be dealt with there, as has been indicated by the minister all along.

Frankly, the debate that has been prolonged by the members of the Progressive Conservative Party has been silly. We have heard the members say things such as, "The government has overplayed its hand." It is the members of the Conservative Party who have overplayed their hand. They have raised concerns and overblown the problems to the point where they have alarmed people. For instance, they have been so alarmist that some seniors, about whom they have been talking, have got a completely incorrect view of what this legislation may mean.

There is a need to improve the legislation and that is what the job of the committee will be; to suggest and make amendments. I do not understand why this party refuses to pass the legislation on second reading so we can get to that stage and raise the concerns it has gone on at length about. We can then have hearings and input and decide how amendments might improve the legislation.

I am very concerned about some of the comments that have been made during this debate. The Conservative Party has argued that it has forced the legislation into committee; that it forced the government to agree to a committee. All of us knew all along that it was going to committee. The only reason it is not in committee now is because the members of the official opposition have refused to let it go to committee.

I have even heard during this debate from members such as the members for York West (Mr. Leluk), Stormont, Dundas and Glengarry, and Brantford (Mr. Gillies), who instead of making very serious, thoughtful presentations made very extreme accusations against the minister, the government and even against other members of the Legislature.

One of those members went so far as to quote from a letter and then defend the comments, which almost accused the minister of being a communist. I wonder whether that is helpful in this debate. Putting it into the context of the overall problem we all face as legislators responsible for protecting the public purse as well as for raising the concerns of our constituents, I wonder whether that kind of comment quoted in this House and then expanded upon with accusations of dictatorship and so on really is helpful. Frankly, as a member of this Legislature for 10 years, I do not believe that kind of statement in this House is at all warranted. I do not think it is productive.

I also heard an interjection by the member for Durham West during the presentation of the member for Brantford to the effect that the minister would attend all the funerals–that is what he said–if seniors had received improper medication. Mr. Speaker, I was disappointed that you did not call the member to order when we heard that kind of an interjection in this House. I do not know whether it went into Hansard, but it has now. That kind of accusation or statement about the minister is hardly helpful. It is something that denigrates this debate and this chamber.

It is about time we got on with the public business of the people of this province and dealt with the business at hand as responsible members of this House. It is about time this assembly passed this bill on second reading so we can deal in committee with the legitimate concerns that have been raised and amend the bill properly. I said, and I believe, that the comments made by some members of this House during this debate have been silly. Those members themselves will look even sillier when they vote for this legislation on second reading.

10:20 p.m.

Mr. Wiseman: I am pleased to be given an opportunity to speak for a few minutes on Bill 54. I was not going to speak on this bill until all the pharmacists in my area either came in to see me, wrote or phoned me with their concerns. These people, being reasonable–all the people I have the honour to represent are–I felt I should bring their concerns here, as I did to the Minister of Health in our estimates, and let the Speaker and others know what they are.

Most of the concerns have been touched on by other members of the Legislature, but those who contacted me all said the same thing: that the minister did not show them the legislation prior to introducing it in the House and calling a press conference where he made some quotes they claim were not factual.

They have some concerns about the three-month supply of drugs for a patient. As well, they have some concerns that all pharmacies must be in this plan when the legislation goes through. At present, I understand pharmacists do not mind belonging to Parcost, though they do not have to, and they find it a little hard to swallow that they must join the plan. However, with respect to the setting of fees, they are concerned with the fact that in a democratic society the minister can arbitrarily set fees for pharmacists in this new bill.

In some of these things, I suggest tonight we have not had anything constructive from the government party. I would suggest to the minister, as I did in his estimates, that rather than having him set the fees arbitrarily–or someone in the Ministry of Health or some other minister who might be setting them in the future–it should be the Minister of Health and the Ontario Pharmacists' Association, and if they cannot come to some agreement an arbitrator should be set up, and whatever his or her findings are that should be the case.

In the estimates of the Ministry of Health, I asked the minister whether he had gone over some of the questions I have said the pharmacists asked me. I asked him if he had met with the pharmacists' association prior to bringing in the legislation.

The minister put into Hansard a list of meetings he had. I took from it, that particular day, he had met with them prior to the introduction of this legislation or his press conference. The following week, we got back into it again–I know the minister is not listening, but he heard it there–and found out he had not met with them and corrected the record where he had misinformed me the week before in his statements to me at that time.

I can go back to when I was parliamentary assistant to the former Ministers of Health, the member for Muskoka and the member for Don Mills. I was parliamentary assistant to both those gentlemen, and while I was there we never brought in a piece of legislation in the manner in which this government has brought this forward.

As I watched the Minister of Health consulting with his legal counsel and others under the gallery tonight, I thought one or two of them looked like new people, but David Bernstein certainly was not. Some of the older ones must have thought back to the days when the members for Muskoka and Don Mills were in Health–and

a farmer politician from Lanark–and that sort of thing never happened.

If the people of Ontario today think they have an open government, one that consults with and listens to people, it does not show it in this case and a couple of other examples I could mention. However, those are not under this legislation.

Hon. Mr. Riddell: The member has a lot of respect in his riding. He should try to retain that.

Mr. Wiseman: Yes, I am, and I note–

Hon. Mr. Riddell: His constituents are not going to be happy with this kind of speech.

The Acting Speaker: Order.

Mr. Wiseman: I note to the Minister of Agriculture and Food (Mr. Riddell) that I have that in the riding and I will have it after I say what I am saying. I am going back and the record will show that when we were in power, to the best of my knowledge, in any ministry I had the privilege of serving in we never brought legislation through in a manner such as we have seen here today, without consultation, without discussion with the discipline before it was brought forward.

In the statement the minister made the day after introducing the legislation, there was a figure of $50 million the pharmacists were supposed to be ripping off the public. In the minister's estimates I asked him to clarify that $50 million because the pharmacists could not get a statement as to where he got that figure, where he pulled it from.

When we talked to him and his officials, that figure was down to about $17 million or $18 million. Hansard will prove me right or wrong on that. I asked the Minister of Health at the time if he took into account that the pharmacists had not had a raise in dispensing fees for two to three years and if they had raised it to be somewhere in line with some of the other provinces, by at least 50 cents a dispensing fee, how would that balance off with the $17 million or $18 million the pharmacists were supposed to have by the pharmaceutical manufacturers reducing their price of drugs, how would that work out.

If that had been done, it would work out in favour of the pharmacists. It seems to me that when we talked to the Minister of Health at the time–

Hon. Mr. Bradley: I think the member is saying this just for the Hansard and he is going to vote for the bill. He is saying this just so he can mail this back to the pharmacists and tell them he is opposed to it.

Mr. Wiseman: The Minister of the Environment has a lot to say at all times.

I have a fork down on the farm that I use in the spring of the year. It is not quite spring but I would bring it up and give it to him and put the loader someplace over there and he would have it filled in no time.

Mr. Gillies: The minister has a loader of his own.

Mr. Wiseman: I was told by the honourable member that the minister maybe has a loader of his own. However, the Minister of Agriculture and Food knows what I am talking about, and if I run out of mine, maybe he has one he can bring down from the farm. But he is interrupting me and I forgot where I was.

I was at the $18 million and the dispensing fee. They are trying to provoke me and at this time of night, being the person I am from the part of the world I come from, I will not be provoked. This is a serious matter. We have never seen a discipline such as the pharmacists so upset. I have not seen them so upset. Knowing how fair they are, and that they are, in my opinion, a lot like our doctors, dedicated to their job, dedicated to helping people, to have legislation pushed down their throats like this without consultation is wrong.

Going into this debate tonight, I was not aware that the government had decided to hold full and open hearings for all the public to come in and–

An hon. member: The minister said that last fall.

Mr. Wiseman: No, he did not. I am pleased they are going to have full and open hearings and let the pharmacists and some of the elderly people come in and let the government know what they are thinking; they really have a chance now to correct the injustice they did earlier by bringing the legislation through without consulting with the people. They have a chance to have good, open government and listen to the people when they come into committee, bring in the amendments and bring a piece of legislation that will fly, that the pharmacists will be happy with, the people of Ontario will be happy with and we as legislators will be able to support.

Hon. Mr. Riddell: Before the member sits down, let him tell us how he is going to vote.

10:30 p.m.

Mr. Wiseman: Maybe I should send the spreader over to the Minister of Agriculture and Food as well. I will give him a seven-pronged fork, one he knows how to use.

On motion by Mr. Wiseman, the debate was adjourned.

JOB CREATION

The Acting Speaker: Pursuant to standing order 28, the motion that this House do adjourn is deemed to have been made. The member for Lincoln (Mr. Andrewes) has given notice of his dissatisfaction with the answer to his question given by the Minister of Industry, Trade and Technology (Mr. O'Neil) concerning job creation programs. The member has up to five minutes to debate the matter, and the minister may reply for up to five minutes.

Hon. Mr. Bradley: Is he telling us how he is voting on the pharmacists' bill first?

Mr. Andrewes: In order to give the member for St. Catharines (Mr. Bradley) some satisfaction from his earnest efforts and his interjections for this whole evening, I am going to tell him I will be voting against Bill 54.

Yesterday in question period I raised with the Minister of Industry, Trade and Technology a very serious issue with respect to job creation. The question was raised after a question by one of my colleagues to the Minister of Colleges and Universities (Mr. Sorbara)–the minister of Futures, as we assume he wishes to be called–in answer to which he revealed to this House the rather shocking fact that after all the hype and advertisements that have been put forward to the public inviting participation in the Futures program, they have received fewer than 5,000 applications for this program and fewer than one in five of those people who have applied have been placed up to this time. This does very little to solve the chronic problem of unemployment, particularly among our younger people.

My concern went further. My concern was directed towards a budget offered to us by the Treasurer (Mr. Nixon) that, for the first time in six or seven years of budgets presented to this Legislature, contained not one expenditure program that would address the chronic unemployment problem among people who are older than 25 and do not qualify for Futures.

In the budget debate the Treasurer gave us a recitation of employment figures that had pertained to Ontario for the last three to six to nine months. He gave us a recitation of the programs that the Minister of Agriculture and Food (Mr. Riddell) was going to put in place to address chronic problems in the agriculture industry. He gave us a recitation of the wonderful programs the Minister of Colleges and Universities was going to undertake under the cover of Futures.

However, in the whole budget debate, he did not address the very serious chronic problems among unemployed adults over the age of 25. A budget that takes $750 million in additional revenue from the people of this province and increases the deficit by $500 million does not contain one program for unemployed people over the age of 25.

I posed a very serious question to the minister. I got back from him the same recitation of figures. These figures, I am sure, were very comforting to the minister to look at and very comforting to his government, but not very comforting to those who are unemployed in this province or to their families who are depending on them to provide a livelihood and to put bread on the table.

I did not ask the minister to be an apologist for the inadequacies of the Treasurer's programs and I did not ask him to be an apologist for the inadequacies of the Treasurer's budget. I asked him simply whether he would tell us what programs he is suggesting to his cabinet colleagues that would alleviate these problems.

I asked by way of supplementary whether he would support and bring forward to cabinet a program his leader endorsed in the last election campaign, a program the small business community would find very useful in employing people over the age of 25, in finding retraining programs for these people and undertaking to make them a useful part of the work force once again.

I asked him to tell us whether he would bring that kind of a recommendation forward to his cabinet colleagues. Again, I got the same recitation of employment figures. So we come to this time when there is an opportunity to debate this issue once again. I am pleased the minister is here. I await his comments.

Hon. Mr. O'Neil: First, I welcome the opportunity tonight to respond again to the question posed to me yesterday afternoon by the member.

Yesterday the member for Lincoln charged that this government had failed to create new jobs. The answer I delivered to the House refuted that claim. I will repeat, as I did the other day, that in the month of November alone employment in Ontario grew by close to 51,000 people. Overall, employment during the first five months of our government has increased by approximately 74,000 jobs. Some of those jobs are held by the younger class and many of those are held by people who are over 25 years of age.

Jobs are clearly the highest priority of this government. Let me now remind the House

about the specific initiatives we have undertaken to ensure that Ontario's economic performance continues to exceed that of the rest of the country.

Our first budget contained a number of measures to strengthen Ontario's small business and industrial sectors. The small business development corporation program saw a 20 per cent increase in its budget from $25 million to $30 million, for one thing alone.

We are very concerned about the employment needs of northern and eastern Ontario. We have taken positive steps in that direction. We have expanded the eligibility requirements in these areas to include companies that provide services to the mining and forest industries.

Interjections.

Hon. Mr. Elston: Listen, we are supplying jobs to those people the government of members opposite was not able to help. We are creating more jobs for the people of Ontario. This minister is doing an excellent job.

Mr. Andrewes: The government is going to have to employ a lot of pharmacists after this legislation.

The Acting Speaker: Order.

Hon. Mr. O'Neil: These would be in such areas as transportation, contract drilling, machine and equipment rental and leasing, engineering and other scientific and technical services. To further stimulate the investment and the employment situation in these areas, we have also reduced the minimum capital requirements for an SBDC cash grant or tax credit in those areas from $100,000 to $50,000.

The Ministry of Skills Development has recently introduced a new program for young people aged 16 to 24, who face difficulty in getting their first jobs. It is called Futures, as the member has mentioned on a couple of occasions. The program provides counselling, training and work experience and is designed to help these young people find and maintain a permanent job. In two short months there have been 2,200 new placements.

These initiatives demonstrate this government's willingness to tackle complex issues. Our policies will continue to reflect this commitment to economic expansion, which will lead to further job creation. Key current economic indicators point to continued growth.

Unemployment has fallen to 7.4 per cent, well below the country's overall rate of 10.2 per cent. Housing starts were up by 22.7 per cent in the first eight months of 1985 over the same period last year. According to the survey of business capital investment intentions of large firms, the business community is more optimistic than it was six months ago. Ontario will show the greatest increase in capital spending, up 10.7 per cent over 1985 and well above the country's overall rate of 7.5 per cent.

The confidence the business community has in this government tells me we are on the right track. We will continue to work together in partnership with the business community to stimulate economic growth in order to create a prosperous and dynamic future for the citizens of Ontario.

May I say to the minister–or to the previous minister, now the member–that I also have the greatest faith in the–

Mr. Andrewes: I resigned gracefully.

Hon. Mr. O'Neil: He did resign, did he?

Mr. Andrewes: Retired.

Hon. Mr. O'Neil: I have the greatest faith in the Minister of Skills Development (Mr. Sorbara), in the job he is doing in the ministry and in all the people who work for him. He has been travelling around the province visiting universities, schools and factories along with myself to see what we can possibly do to create more jobs in the areas the honourable member is talking about and is concerned about. We will do our best to see that these things happen.

I want to note just one other thing our ministry has been doing, and that is the hotline for people wanting to start up new businesses or small businesses.

The House adjourned at 10:41 p.m.

CONTENTS

Tuesday, January 7, 1986

Second reading

Ontario Drug Benefit Act, Bill 54, Mr. Elston, Mr. Villeneuve, Mr. Breaugh, Mr. Bradley, Mr. Mancini, Mr. Gillies, Mr. Van Horne, Mr. Wildman, Mr. Wiseman, adjourned 2837

Adjournment debate

Job creation, Mr. Andrewes, Mr. O'Neil 2859

Other business

Adjournment 2860

SPEAKERS IN THIS ISSUE

Andrewes, P. W. (Lincoln PC)
Ashe, G. L. (Durham West PC)
Bradley, Hon. J. J., Minister of the Environment (St. Catharines L)
Brandt, A. S. (Sarnia PC)
Breaugh, M. J. (Oshawa NDP)
Charlton, B. A. (Hamilton Mountain NDP)
Cooke, D. S. (Windsor-Riverside NDP)
Davis, W. C. (Scarborough Centre PC)
Edighoffer, Hon. H. A., Speaker (Perth L)
Elston, Hon. M. J., Minister of Health (Huron-Bruce L)
Foulds, J. F. (Port Arthur NDP)
Gillies, P. A. (Brantford PC)
Haggerty, R. (Erie L)
Laughren, F. (Nickel Belt NDP)
Mancini, R. (Essex South L)
Miller, F. S. (Muskoka PC)
Morin, G. E., Deputy Chairman and Acting Speaker (Carleton East L)
Newman, B. (Windsor-Walkerville L)
Offer, S. (Mississauga North L)
O'Neil, Hon. H. P., Minister of Industry, Trade and Technology (Quinte L)
Philip, E. T. (Etobicoke NDP)
Pierce, F. J. (Rainy River PC)
Riddell, Hon. J. K., Minister of Agriculture and Food (Huron-Middlesex L)
Timbrell, D. R. (Don Mills PC)
Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)
Van Horne, Hon. R. G., Minister without Portfolio (London North L)
Villeneuve, N. (Stormont, Dundas and Glengarry PC)
Wildman, B. (Algoma NDP)
Wiseman, D. J. (Lanark PC)

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First Session, 33rd Parliament
Thursday, January 9, 1986
Afternoon Sitting

Speaker: Honourable H. A. Edighoffer
Clerk of the House: R. G. Lewis, QC

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CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, January 9, 1986

The House met at 2 p.m.

Prayers.

VISITOR

Mr. Speaker: I would ask all members of the assembly to join me in welcoming an outstanding athlete in Ontario, Ben Johnson, who has been chosen Ontario's amateur athlete of 1985.

I have a ministerial statement on my list but do not see the minister.

RECESS OF HOUSE

Mr. Timbrell: On a point of order, Mr. Speaker: In the hope that this will not become a regular occurrence, I would like to suggest that today would be a good occasion to adjourn the House for five or 10 minutes until the minister in question is here in his place, prepared to deal with the business of the province.

Hon. Mr. Nixon: The suggestion made by the honourable House leader is not without merit. In my lengthy career in this House, and you may remember, Mr. Speaker, there was a time when the bells used to ring well past two o'clock, to 2:15 and 2:20. It was agreed on all sides that the business would start right at two.

I agree that it should, and I will admonish my colleagues, particularly those who are prepared to make statements, that they should be here. We will attempt to do that in the future. If they are not here by now, then it is up to you, sir.

Mr. Speaker: As I stated on a previous occasion, I do not believe it is in order for the Speaker to recess the Legislature except upon grave disorder.

Hon. Mr. Nixon: Mr. Speaker, it may be that you have an indication there is a statement to be made. I do not have one. I suggest–

Mr. Timbrell: We did.

Hon. Mr. Nixon: The member has the advantage over me, but I suggest we go past that order of business and go directly to oral questions. My colleagues and I are ready; however, I am now receiving mad signals from under the gallery that there is someone here prepared to do his thing.

Hon. Mr. Kwinter: Copies are being distributed right now.

Mr. Speaker: Please proceed, Minister.

STATEMENT BY THE MINISTRY

INSURANCE RATES

Hon. Mr. Kwinter: I would like to take this opportunity to address the House about the current problems in the insurance industry, most specifically those affecting both the cost and availability of commercial liability insurance for business and public institutions in Ontario.

This is a complex problem which demands careful and considered thought and action. We must avoid the temptation to seek a quick fix that may in the long run damage an industry that forms a significant part of our economic system and ultimately jeopardize the consumer's interest.

Insurance is an international system and, as such, the problems we are facing today in Ontario are problems of an international scope. The current situation with property and casualty insurance is part of a worldwide cycle in the insurance industry as markets adjust to claims and investment experience. The impact has been most severely felt in the industrialized sectors of Europe, the United States and Canada.

Property and casualty insurance in this country is generally offered by primary insurers, who, in turn, rely on backup reinsurance to do business. The existence of reasonably-priced reinsurance is a major key to a sound insurance market.

If a Canadian primary insurer cannot cover off a significant portion of its risk through reinsurance, then that company's ability to underwrite risks is severely curtailed. This is what is meant by the problem of reduced capacity. Price aside, insurance firms are sometimes refusing to underwrite even their old customers because they simply cannot cover off the risk through reinsurance.

Disturbing reports are now flowing in from around the world. We read of American underwriters swarming the streets of London, England, searching for reinsurance but failing to find the capacity they are seeking. In fact, market observers are saying this is proving to be one of the most gruelling reinsurance renewal seasons ever seen in London.

As in other highly industrialized jurisdictions, we are experiencing a scarcity of capacity in commercial and public liability insurance. The American insurance industry has been raising rates or refusing to write liability coverage for county and municipal governments and professional and business people in a wide range of occupations. The insurance industry in the United States blames the situation on rapidly rising court-ordered liability judgements and an industry price war in the early 1980s that they contend lowered rates to an unprofitable level.

It is equally important to mention that other provinces in this country are also experiencing problems. As has already been reported, the Insurance Corp. of British Columbia, faced with continuing losses, sold its general insurance business to a private Ontario company at a loss of $5.3 million. As well, the Manitoba Public Insurance Corp. had a loss of $4.8 million in its general insurance division in 1984.

Similarly, the Saskatchewan Government Insurance, the only other provincially operated general insurance business, estimated that its division lost $3.8 million in 1984. It is very clear that this is a problem affecting all governments in Canada, including the federal government.

The causes of both the cost and capacity problems are many but they can be summarized into four basic categories: excessive price competition, as seen in the rate-cutting wars of the early 1980s; low interest rates, which have reduced insurance industry investment revenues; higher claims and court settlements, and overly specialized underwriting, as occurred in the recent case of United Canada Insurance, which dealt exclusively in the commercial trucking area.

2:10 p.m.

This government is committed to protecting policyholders. Last month, I told the Legislature that my ministry was responding to the serious problem by meeting with primary insurers, reinsurers, the Insurance Bureau of Canada, the Facility Association of Ontario, the Ontario Trucking Association and the Ontario Motor Coach Association.

As a result of our efforts, the Facility Association has agreed to make insurance available to all commercial vehicles. Moreover, the association will provide increased coverage for long-haul carriers and buses to allow them to continue to do business in the United States.

While discussions were continuing with the reinsurance industry regarding its future intentions, my ministry and other ministries of this government held a series of consultations with potentially affected client groups. These included meetings with representatives of the Ontario Hospital Association, children's aid societies, the Ontario Association for the Mentally Retarded, the Ontario Association of Homes for the Aged, the Ontario Association of Children's Mental Health Centres, the Ontario Association of Children's and Youth Institutions, the Ontario Association of Family Service Agencies and the Private Home Day Care Association of Ontario.

This government has met with treasurers of regional municipalities. We have also scheduled meetings next week with representatives of the Metropolitan Toronto Board of Education and the Association of Municipalities of Ontario.

On November 26, I met in Ottawa with the Honourable Barbara McDougall, the federal Minister of State for Finance, to discuss the insurance situation, express my concerns and determine what the federal government plans to do. In this connection, my superintendent of insurance has maintained constant contact with his federal counterpart.

Cabinet has approved the creation of a general insurance compensation plan to protect policyholders in future insurance company insolvencies. This compensation plan is a first step to provide long-term stability in the general insurance industry.

As I advised the House earlier, we have co-ordinated the actions of all involved ministries in this regard through the formation of an interministry committee. This committee is identifying insurance problems affecting other ministries' client groups.

As a result of these efforts, we have made some progress. However, the situation has been made more critical by the year-end decision of the reinsurance industry to limit its participation in underwriting Canadian reinsurance needs. Further action by this government is clearly needed.

I have instructed the interministry committee to tackle immediate problems relating to insurance availability as they arise. To facilitate this action program, I am announcing today the creation of a special information telephone line service through the office of the superintendent of insurance to provide information and advice to business and nonprofit organizations experiencing difficulty in obtaining liability insurance.

This action program may address in part the immediate crisis, but we must also confront the long-range and cyclical nature of this problem. I

am therefore announcing the creation of a task force to provide, within three months, recommendations relating to the problems of cost, capacity and availability in the property and casualty insurance industry in Ontario. I have instructed that the task force have private sector participation. I am pleased to announce that David Slater, former chairman of the Economic Council of Canada, has accepted the government's invitation to chair this task force.

The task force will have at its disposal the full resources of the office of the Ontario superintendent of insurance, the interministry committee and other assistance as may be deemed necessary. The task force will draw on previous reports and studies such as the reports of the select committee on company law in the late 1970s, the recent report of the Ontario Task Force on Financial Institutions, the federal green paper and the report of the Blenkarn committee. The terms of reference will be broad and will cover cost and capacity problems in Ontario property and casualty insurance markets.

I have made copies of the full terms of reference available to members of the Legislature and the media. I have instructed the task force to comment on matters it concludes should be dealt with immediately.

With respect to other initiatives, the government has met with representatives of the farm mutual insurance companies of Ontario, and as a result we are considering making amendments to the Ontario Insurance Act relating to farm mutuals, which should have the effect of increasing the capacity of the Ontario insurance market.

In the meantime, the Ontario government continues to support the proposal for the creation of a Canadian insurance exchange. The successful startup of an exchange would result in an increased Canadian underwriting capacity and, one hopes, a substantial home-grown reinsurance industry.

These are some measures the government is taking right now. Over the long haul, the cyclical nature of the industry will likely be a key component in the normalization of insurance affordability and availability.

Despite the international dimension of the problem facing us, as I have indicated today, this government is not prepared to stand aside while this crisis threatens some elements of our economic and social system. There is no doubt that we are going through a difficult time. In the long run, we believe the situation will improve and stability will return. In the meantime, we as a government are acting to provide ways of protecting Ontario from the present situation and from its recurrence in the future.

I am sure the members of this House are anxious to discuss these matters, and for that reason I welcome the opportunity, after question period, to elaborate on this government's initiatives.

ORAL QUESTIONS

INSURANCE RATES

Mr. Grossman: I have a question for the Minister of Consumer and Commercial Relations. The minister and the industry have been aware for six months, at the very least, of the problem about which the minister has just spoken. Indeed, it was raised on the record with his colleague the Minister of Municipal Affairs (Mr. Grandmaître) by the Association of Municipalities of Ontario in August. Now he has decided, after six months of literally doing nothing, to appoint a task force that will take a minimum of a further three months before anything happens.

In the meantime, the minister may be aware that, as the opposition predicted on Tuesday last, the Wellington County Board of Education has ordered its schools to halt all athletic programs because it has been unable to secure proper liability insurance coverage. Indeed, the gymnasiums in Wellington county are closed today. Because of an injury-to-participants exclusion in its policy, the ban includes instructional as well as competitive sports; no gym classes.

Can the minister tell us what advice the Wellington county school board will get if it calls his hotline?

Hon. Mr. Kwinter: The Wellington County Board of Education has already got its advice. My officials were in touch with Mr. Chamberlain of the Wellington county board earlier today.

In fact, the press report is not quite accurate. They have received an offer of insurance which they are considering. They are not happy with it because they feel the terms are rather vague and the exclusions are not precise enough for them to know where their liability is. They are looking at a reciprocal pool plan. They are looking at accepting the offer that has been made. They are also looking at other potential sources of insurance.

Pending that examination, the school board made a conscious decision to hold off any athletic endeavours until it comes to that resolution, as they hope to do at the beginning of the week. Mr. Chamberlain has been in touch with us, we have

counselled him as to what we feel his options are, and they are going to make a decision based on that determination.

Mr. Grossman: It is quite clear that the minister is taking the position that all that was required was contact with the ministry and with some insurance companies. However, the Ministry of Consumer and Commercial Relations and the government are responsible for the fact that gymnasiums are closed today, since the minister could have done one or two months ago what he did under pressure today, because this problem did not suddenly crop up on January 1.

I say to the minister and to the member for that area on the government side of the House that those gymnasiums are closed today because the government of Ontario sat and did nothing until the gymnasiums were closed. I am going to call the Guelph Mercury and tell them that before the day is out.

Mr. Speaker: Order. Would you place your question?

Mr. Timbrell: The minister should have spent less time counting the Mercedes limousines and more time working on this.

Mr. Grossman: May I ask the minister why–

Hon. Mr. Bradley: Now I know where those 19 delegates went.

2:20 p.m.

Mr. Grossman: A commission was set up by the previous government to look into insurance limits and the reparation system generally. It was reviewing these kinds of matters, but not all of them. Why was that commission terminated by the new government on July 4?

Hon. Mr. Kwinter: The Leader of the Opposition has alluded to several things. I think I should tell him this government has not sat on its hands and done nothing. We have been meeting for months with the various client groups and advising them about the potential problems.

We have made a decision. I think this is something everyone in this House should realize. This government is not in the insurance business. Up until December 31, we counselled and cautioned all of the various client groups that there were potential problems, but until we knew the reinsurers were not going to be providing reinsurance–

Mr. Grossman: They knew about it months ago.

Hon. Mr. Kwinter: They did not know. They had been counselled about potential problems.

Mr. Grossman: They had the insurance bureau telling them over there months ago.

Mr. Speaker: Order.

Hon. Mr. Kwinter: Once that had been determined, we have been acting on and resolving these problems.

Mr. Rae: The minister says they have counselled and solved problems. He has people going to London and everywhere, but let us bring him back home to Guelph. Today there are schools that are not offering physical education programs for the simple reason that the insurance companies have told them they will not offer them insurance for certain kinds of programs. That is happening today–not in London, England, not somewhere off in Paris nor on the markets in Zurich, but right here in Ontario in our school system.

What assurance can the minister give the parents of students in Guelph that tomorrow their kids will be able to play in a schoolyard without being hauled off into a classroom because there are no programs being offered by the board of education?

Hon. Mr. Kwinter: The assurance I can give the people in Guelph is that their school board has made a conscious decision to evaluate its options. It does have options.

Mr. Rae: No, it has not.

Hon. Mr. Kwinter: It actually has three options that Mr. Chamberlain expressed to me it was considering. School board members have made a conscious decision that until they decide which option they are going to choose, they do not want to have those activities taking place. They are meeting on Monday to make a determination about which option they are going to choose. There is no question that they have options. They just have not determined which one they are going to follow.

Mr. Ferraro: First, may I say to the Leader of the Opposition that if he is going to call my home-town newspaper, he had better not call collect.

Can the Minister of Consumer and Commercial Relations confirm to me today a fact I learned in a conversation with the superintendent of finance, Mr. Chamberlain, this morning, namely, that one of the options as well is that insurance is being offered through a local broker in town, not necessarily the broker they are dealing with now, but insurance is available?

Hon. Mr. Kwinter: This is exactly the point I was making. They have options, but they have

not made a determination about which one they are going to accept.

Mr. Grossman: We are delighted that the honourable member got involved this morning on this issue.

Many of these same questions were dealt with in papers tabled at the meeting of the Association of Municipalities of Ontario in August. In view of the fact that his own statement talks about this being the worst reinsurance season ever experienced in London, how can the minister now take the position that he only found out about the reinsurance problem this week?

It was raised at AMO with the minister's colleague present.

Mr. Speaker: Order. The question has been asked.

Hon. Mr. Kwinter: The potential problem was raised at the AMO meeting and it was suggested that they be aware of the problem and that they look into potential new sources. As of today, there are relatively few school boards that do not have insurance.

Mr. Davis: There are some that do not have any.

Hon. Mr. Kwinter: No; there are relatively few that did not get the insurance they wanted. Some of them are not happy with the insurance that was offered to them and have decided to look at this reciprocal pool, at self-insurance and at other methods.

In the meantime, every indication was given to them. They were made aware of the problems and they are addressing them. As we identify problems we are doing as we did with the Wellington County Board of Education, namely, advising them and telling them what are their alternatives, and they are resolving their problems.

Mr. Grossman: The minister is advising them to do something about it; he is doing nothing about it.

I want to ask the minister another question. Hospitals across this province are experiencing exorbitant increases, up to 1,500 per cent, in the cost of general and liability insurance this year. They have to finance these additional costs by allowing their deficits to grow significantly, by cutting services or by cutting plans for new and badly needed equipment. Those are the only options they face.

Is the minister aware that the greatest increase in liability premiums at any hospital in Ontario is at St. Joseph's Hospital in London in the home riding of the Premier (Mr. Peterson). The liability portion of its insurance premium has increased by 15 times from $72,000 to $1.2 million. What advice will the minister's hotline give St. Joseph's Hospital with regard to this increase in its liability?

Hon. Mr. Kwinter: The hospitals of the province are still able to purchase liability insurance, albeit at a much higher rate. The Ontario Hospital Association is reviewing the options available to reduce the cost. It is working with both the Ministry of Health and with the insurance industry to see whether it can come up with a resolution. The Ministry of Health is prepared to look at any of the problems and any of the financial hardships that are caused by these increased premiums and to provide assistance, if required.

Mr. Grossman: Let us be specific. In the case of St. Joseph's Hospital in London, its liability insurance has gone up from $72,000 to $1.2 million; in other words, that is an increase of more than $1 million. The hospital cannot wait three months and it cannot wait until it calls the Minister of Consumer and Commercial Relations to see whether it is going to get some relief or some advice. It has to take some steps now to increase its deficit, to cut programs, to reduce operations or to stop buying new equipment. There are no other options.

Mr. Speaker: Question.

Mr. Grossman: This is my question to the minister. Given that the government did nothing about this circumstance for six months, is the government prepared to indicate to the hospitals that it will make sure the increased cost of that liability insurance is borne by the government of Ontario?

2:30 p.m.

Hon. Mr. Kwinter: In my answer to the previous question of the Leader of the Opposition, I said that in true financial hardship the government would be prepared to look at the additional costs provided by the additional premiums for liability insurance.

Mr. Grossman: For three or four days now the minister has taken the position that municipalities, school boards and hospitals are all out there on their own to search around for the insurance coverage they can get. If they have a major incident, if the court rules against them and they have to pay out large awards, or if their premiums are too high, then they may come, one at a time, to the government of Ontario and say, "Monte, I have a big problem here."

Is the minister's position, therefore, in regard to the Hospital for Sick Children, whose liability insurance is up by 267 per cent, Peterborough Civic Hospital up by 291 per cent, Toronto East General and Orthopaedic Hospital up by 700 per cent and Laurentian Hospital in Sudbury up by 214 per cent, that some of them will get relief from the government of Ontario and some will not?

Hon. Mr. Kwinter: I am saying that if a hospital is experiencing a true financial hardship as a result of its insurance premiums, we will take a look at that and provide whatever assistance is required.

Mr. Rae: I want to ask the minister a question arising out of his statement today. It has to do with his rather bizarre description of the problem. Apparently, the problem is low interest rates, which are obviously devastating for the economy, and excessive price competition, which produced the rate-cutting wars of the early 1980s.

When we start having price competition in the insurance industry, we know just how serious this crisis is. It is devastating. If the economic system of which the minister has become such an apologist actually produces price competition which results in a reduction of rates, then we truly have a crisis in the insurance industry and it obviously requires a government task force such as the one that has been established.

The minister says the objectives of the task force must have the result of creating increased market stability, policyholder protection and a climate of economic opportunity for insurance companies in Ontario. Why is there no mention in his terms of reference for the task force of ensuring a fair deal and affordable insurance at rates that may go down, if that is what price competition produces? Why is there no mention of that in his report?

Hon. Mr. Kwinter: If I can give the honourable member a very brief lesson in economics–I will try to use words of one syllable so he understands–the insurance industry derives revenue from two sources, one of which is premiums and the other is investment income. When investment income is high, there is an incentive and a compulsion on behalf of the insurance companies to try to get as many premiums as they can get in to invest because they make more money on the investments than they do on the other end.

As a result of that, during the 1980s there was a reduction and premiums were being charged that were unreasonably low based on the risk, but they were able to do it because they were making a great deal of money on investing those premiums. Now that the investment rate has gone down, they do not make that money and they have to make the money on the premiums. What is happening is there is an increasingly large jump in the premium rate to get in that revenue. That is how it works and it is the reason for that particular statement.

As to the question of why there is no mention of affordable insurance, that is in the framework and in the terms of reference of the task force. We would certainly like to be able to provide as low a premium as possible, but it has to be a responsible premium; it has to be a premium that provides enough income so the claims can be paid. That is where we have the problem and that is where we have companies failing.

Mr. Rae: I am sure we all feel enormously enlightened. The minister would perhaps like to give me a lecture. Perhaps he can explain in his next lecture in economics 100 why the miracle of the marketplace works in such a way that drivers in British Columbia have been told to expect premium decreases averaging about 6.5 per cent in 1986, and why in Manitoba it is expected that rates will be reduced again by two per cent this year. Those are both provinces that have public auto insurance, which the minister has made a point of disparaging in his remarks today and on other occasions.

I wonder whether the minister's economics are sufficiently broad and explanatory, if he can come back from London and Zurich for a moment, to explain why Manitoba and BC can have a reduction but here in Ontario, drivers have been getting stiffed by 15 and 20 per cent a year in the last two years.

Hon. Mr. Kwinter: For the edification of the leader of the third party, I will be delighted to carry on his lesson in economics. Ontario's experience in underwriting is that the risk rate in Ontario is twice as high as that in any other jurisdiction in Canada. We have a higher standard of living; we have far more expensive cars; we have a far larger number of drivers. As a result, the claim experience in Ontario is considerably higher than that in any other jurisdiction in Canada. That has a direct effect on the insurance rates.

Mr. Grossman: It is quite clear that we should be wary of lessons from the Minister of Consumer and Commercial Relations. His lesson on the wine industry cost that industry about $30 million or $40 million this year, so we thank him for his lesson.

Mr. Speaker: I do not think that is a supplementary.

Mr. Grossman: The insurance companies have a habit of reviewing their rates, as they responsibly should, with the superintendent of insurance. I notice the superintendent of insurance is heading this review, this task force. Can the minister tell me whether the superintendent of insurance has indicated to him and/or to the industry that he believes the current rates are justifiable?

Hon. Mr. Kwinter: The Leader of the Opposition is wrong on two points: (1) The superintendent of insurance is not heading the inquiry; David Slater is. (2) The superintendent of insurance does not set rates for the insurance industry, other–

Mr. Grossman: I did not say he set them. He has seen the rates, though.

Mr. Speaker: Order.

Hon. Mr. Kwinter: He has jurisdiction only over the Facility Association. He may see them, but he does not have any jurisdiction over them. The only jurisdiction he has is over the Facility Association.

Mr. Rae: I do not think the minister answered the question. I may have missed it in the degree of learning the minister possesses, which no one else in the House apparently has. If he has some special fount of wisdom that can explain these things, it would be better for all of us mere mortals on this side of the House to hear exactly what they are. I am sure that in his own uniquely humble way he will be willing to share this information with us.

Can the minister explain why, for example, rates in Sudbury are significantly higher than those in Winnipeg or Regina? Can he further explain why there have actually been decreases in Manitoba and in other provinces in the past two years, some of them ordered by the Saskatchewan Public Utilities Review Commission, which supervises insurance in that province, for example? Can he explain why drivers in many communities in Ontario, in Sudbury, for example–

Mr. Speaker: Order.

Mr. Rae: I ask the minister to compare the population in that city–

Mr. Speaker: Order. The question has been asked.

2:40 p.m.

Hon. Mr. Kwinter: The setting of insurance rates is done by the industry on the basis of claim histories, the sort of history it has had in paying out on claims. It costs more to service drivers in northern Ontario as far as adjusters and everything else are concerned and, as a result, there is a higher cost.

In Ontario, because of its greater numbers and higher standard of living, if one has a claim against a loss of work, the insurance companies pay out higher rates. It just costs more to get insurance in Ontario. That is the reason. It is a fact of the marketplace.

Mr. Rae: The insurance association has nothing to worry about; it has a representative right here on the floor of the House.

Mr. Speaker: New question.

Mr. Rae: With respect to the task force, can the minister tell us what is the policy of the government? He has asked the task force to look at a whole range of issues. He has told it to look at a number of different things in a very disparate approach: increased market stability, policyholder protection and a climate of economic opportunity for insurance companies in Ontario.

Can the minister tell us why the government has not issued a direction to the task force to come forward with a plan that will ensure that drivers in Ontario will be able to drive at rates that are competitive with those in provinces that have public insurance? Why not give the direction for government insurance in a field that has worked so well and effectively in other provinces?

Hon. Mr. Kwinter: The task force has been given a very broad mandate to look at all aspects of the insurance industry. Included in that mandate will be an opportunity to look at no-fault insurance and government insurance. We are prepared to look at any possible solution to bring a rational solution to the problems of the consumers of Ontario. We are not excluding anything.

We welcome the honourable member's participation. If he has some ideas, we will be delighted to receive them.

Mr. Rae: I have heard that speech before. If government insurance is an option the minister is seriously looking at, can he explain how that is compatible with the climate of economic opportunity for insurance companies in Ontario that he has set out as one of his objectives?

Hon. Mr. Kwinter: It is financially impossible for the government to carry every single range of insurance in Ontario. There is just not enough money available. That means we have to set up a climate that will allow the reinsurers to

bring some money to bear on the problem. That does not mean we have to do it across the board. We will look at areas on a selective basis, and if it makes sense in auto insurance to look at no-fault insurance or government insurance, we will do it. In the meantime, we have given this task force the broadest mandate possible and we have not ruled out anything.

Mr. Grossman: I want to give the minister one more opportunity to answer one question today. Does the superintendent of insurance think these rates are justified? Does the minister agree with him?

Hon. Mr. Kwinter: I do not know what the superintendent of insurance thinks of the rates.

Interjections.

Mr. Speaker: Order. Final supplementary, the member–

Mr. Grossman: Mr. Speaker, on a point of order: We asked the minister a very simple question. He began to respond and there was a not unusual degree of noise in this chamber. Mr. Speaker, I want to put this to you. When the minister is not able to answer a question, if members of this House, including his own members, can raise enough racket and you then say there will not be an answer but you turn to another question, then it is preventing the opposition from getting answers to properly asked questions.

Mr. Speaker: I suppose I could make many comments following these matters on a supposed point of order. We have already spent more than 30 minutes and we have not completed the first four questions. When a minister is supposedly trying to reply–whether he responds is not my responsibility–if the members are not willing to listen, and in particular if they rise and shout from their seats, I feel it is my responsibility to make sure that many more members have the–

Interjections.

Mr. Speaker: Order. In question period, I believe it is the responsibility of the Speaker to try to get as many questions placed and answers received as possible. We are still on the fourth question, and I am going to call on the member for Port Arthur (Mr. Foulds) for the final supplementary.

Mr. Grossman: Mr. Speaker, if I might, I want to make this point to you. The question–

An hon. member: Are you challenging the Speaker's ruling?

Interjections.

Mr. Speaker: Order. You do not have the right to challenge my ruling in question period.

Mr. Grossman: I want a one-word answer from the minister.

Mr. Speaker: Order.

Mr. Grossman: We are in an insurance crisis in this province and we want an answer.

Mr. Speaker: Order. Will the member take his seat?

Mr. Timbrell: Mr. Speaker, on a point of order–

Mr. Speaker: Order. What is the point of order and under which standing order?

Mr. Timbrell: Mr. Speaker, you may not have noticed, but the Leader of the Opposition did challenge your ruling, and I suggest the question be put.

Mr. Speaker: As I believe I said, during question period in matters pertaining to questions and answers, the ruling of the Speaker cannot be challenged.

Mr. McClellan: Mr. Speaker, may I rise on a point of order?

Mr. Speaker: On that point?

Mr. McClellan: On a related point. I think it will serve us all well if we all just stop, sit back, allow the minister to answer the supplementary question, get on with question period and set the matter aside.

Mr. Speaker: I appreciate the thoughts and the concern of the member. However, I have called for the final supplementary from the member for Port Arthur.

Mr. Foulds: Perhaps the Minister of Consumer and Commercial Relations will answer the previous question. Will he also tell us one step he has taken to protect the consumer, whether the consumer be an individual seeking auto insurance, a school board or a municipality? What steps will be taken to protect the consumer?

Hon. Mr. Kwinter: I assume that is two questions. The first question, from the Leader of the Opposition, was, "Does the superintendent of insurance look at the rates?"

Mr. Grossman: No. Does he think they are justified?

Hon. Mr. Kwinter: Does he think they are justified? Obviously, the rates that are set in the marketplace are the rates that are set; it is not a matter of whether one justifies them. It is not his role to decide whether they should be justified. He has only one responsibility and that is to approve the rates of the Facility Association.

I do not know whether he thinks they are justified. It is as simple as that. The marketplace dictates what the rates are. I think they are high, and I would like to see them much lower. Unfortunately, there is nothing we can do about it, other than to get into the insurance business, and we are not prepared to do that at this moment.

2:50 p.m.

To get back to the member for Port Arthur's question, we in this ministry and in this government have done many things to help the people in the insurance industry.

Mr. Foulds: In the industry, but not the consumers.

Hon. Mr. Kwinter: No. I am talking about people who have to relate to the industry—anyone who has to get insurance. We have helped greenhouse operators and other institutions that have come to us with problems, and we are continuing to do it. Where the truckers could not get insurance, we helped them to get insurance. We got the Facility Association to increase its level to $5 million so the truckers could have interstate transportation. We have looked at various and sundry problems and have resolved them, and we are continuing to do so.

Mr. Brandt: I have a question for the Minister of Consumer and Commercial Relations. I was surprised to hear the minister indicate in response to my leader that the conference held in Ottawa by the Association of Municipalities of Ontario resulted in a discussion about the potential of a problem that was emerging in the liability insurance field.

Since more than six months have passed since that conference and there have been a number of newspaper articles as well as discussions directly with the minister's staff and others about the critical extent of this problem, can the minister indicate why it has taken him until now to give even the weak response he gave in his statement to the House today?

Hon. Mr. Kwinter: In the time we have been addressing the insurance problem, we have been meeting with the industry, the insurers, the reinsurers, all the people who have been affected, and we have been working with them to resolve their problems. There is no question that many of them have been resolved. There are some that have not been resolved and some that will continue not to be resolved. As they are addressed, we will help people with their problems.

In the meantime, there is no short fix, and if there is, it is going to have to be done on an individual basis as problems are identified. If someone comes to us and says, "We have absolutely no other alternative," we are going to have to help them, and we are prepared to do that.

On the other hand, we have to have some stability. With reference to my learned friend the leader of the third party, the reason we mentioned all these other jurisdictions was so we would not give the impression that this is peculiar to Ontario. It is not something that happened in the past two months. It is a worldwide problem, and we can only address it within that framework.

In the meantime, we are trying to ameliorate as best we can the difficulties some of these people are having. The purpose of the task force is to try to see whether some things can be done to create a healthier climate in the insurance industry in Ontario or whether there are things we can do in the way of reciprocal insurance plans, a pooling of resources and so on.

Mr. Speaker: Order.

Mr. Brandt: With the greatest of respect, I have to say that the response of the government is far too little and far too late. The reality is that the minister knew six months ago and was fully advised by his colleagues that this was going to be an impending crisis that cried out for action then, not now with the response we have had.

By way of a question, let me point out that the city of Scarborough has a premium increase of 137 per cent, the township of East Williams has an increase of 300 per cent and my own community of Sarnia has an increase of about 200 per cent. Is the minister suggesting that, by fixing this in the short term, these 200 and 300 per cent increases and, as my leader suggested, one of 1,500 per cent in the case of a particular hospital in London, are satisfactory?

Mr. Speaker: The question, please.

Mr. Brandt: Is that what the minister suggests as a solution to the problem we are facing today in Ontario?

Hon. Mr. Kwinter: I do not quite understand the question. Is the honourable member saying I am suggesting the increased premium is a solution to the problem?

Mr. Brandt: Let me place a supplementary to my supplementary. Is the minister suggesting the problem is being resolved as a result of 200 and 300 per cent increases and that is satisfactory as far as the ministry is concerned, or is the minister prepared in some way to subsidize or assist these communities?

Hon. Mr. Kwinter: That is what I thought the question was. We are saying the problem facing

the insurance industry today is a twofold one of availability and affordability. A big problem we have is that some people claim they cannot get insurance at any price. We have found very little of that, if any, but there are people who say insurance may be available but it is not affordable, so it is not available.

The second problem is affordability. This government cannot suddenly decide to subsidize every institution in this province that thinks its insurance premiums are too high. There is not enough money in this government to do that. We have to look at the basic problem and how we can reduce its impact in some way. We will have to address severe hardship cases on an individual basis.

EQUAL PAY FOR WORK OF EQUAL VALUE

Ms. Gigantes: My question is to the Attorney General, the minister responsible for women's issues. November 19 was the date he released the green paper on pay equity, dealing with proposals for equal pay for work of equal value in the private sector. I wonder whether he will share with this House his plans and the government's preparedness for the public consultation he promised at that time.

Hon. Mr. Scott: I thank the honourable member for the question. We are working out the timetable for the consultation process. I hope to make an announcement next week.

Ms. Gigantes: Is the minister willing to give us a deadline for the returns from this consultation, and will he consider putting forward draft legislation now so the focus of the public consultation will be meaningful?

Hon. Mr. Scott: I am confident, as the comments from the public I have received indicate I should be, that the green paper will provide a meaningful document upon which the consultation will take place.

The consultation timetable, involving visits to various Ontario communities, has been worked out. It is not possible to determine when the consultation will end, because we do not know to what extent there will be a demand for it. As I indicated to the member for Don Mills (Mr. Timbrell) in response to a question some weeks ago, we intend to see to it that the process is full and complete. I hope the process will be completed by mid-spring.

INSURANCE RATES

Mr. Runciman: I have a question for the Minister of Consumer and Commercial Relations based on his earlier statement, which is not too exciting, to say the least. The most revealing thing we have heard this afternoon is the leader of the third party confessing he is a mere mortal. He has been unwilling to do that up to this point.

Mr. Speaker: Is that your question?

Mr. Runciman: My leader posed a question to the minister earlier which he declined to answer. In March 1985, the former government appointed a joint government-industry-consumer committee to look at a number of questions threatening the solvency of smaller insurers and leading to an affordability-viability crisis for compulsory auto insurance.

That committee was established in March by the previous government and has been in limbo since July 4; it has not held a meeting. If the minister is as interested in this issue and is as on top of it as he says he is today, will he tell us why that committee has been hanging there since July 4?

Hon. Mr. Kwinter: I do not know, but I will be very happy to find out and get back to the honourable member.

Mr. Runciman: That is a startling revelation. The committee was established in March and met on a number of occasions to deal with this very important issue. I do not know how I can ask a supplementary on this, other than by asking what the minister is doing over there.

3 p.m.

NORTHERN DEVELOPMENT

Mr. Pouliot: I have a question for the Premier. The Premier may be aware of the report on northern Ontario released by the standing committee on procedural affairs and agencies, boards and commissions. It is an amazing document. It tells us something that northerners have known for years: primarily that past governments have been more than somewhat insensitive to the needs of native Canadians and that the bureaucrats and, yes, I will say mandarins who are asked to design programs for the north are out of touch, do not understand the north and do not understand northerners.

What specific steps will the Premier (Mr. Peterson) give this House to assure us that this situation, which is nothing short of a travesty, will be remedied?

Hon. Mr. Peterson: I did not quite understand. Is the member talking about native Canadians or about everyone in northern Ontario?

Mr. Pouliot: I am talking about both.

Hon. Mr. Peterson: He is talking about everyone in northern Ontario, but specifically the problem of native Canadians.

Mr. Pouliot: Not only native Canadians. I am talking about the lack of co-ordination in designing policies, the lack of understanding of the north and the lack of representation by pretty well every ministry that northern Ontarians have to deal with.

Hon. Mr. Peterson: That is a very large question. I think I have some sense of the frustration of the people of northern Ontario that gives rise to this kind of question. I can assure my honourable colleague he is not alone.

The first thing we did when we assumed office was to put someone in charge of the northern affairs responsibility who cares passionately about the north, who is a child of the north and who understands very much the problems of northern Ontario.

There is a variety of areas that need help. The member will be aware, I am sure, of the sensitivity of this government to northern Ontario. I know he has been personally involved and consulted a lot. We value his help and that of every member here. There is no question that there have been long-standing problems in the past and, if one looks ahead, a number of very serious problems we will have to face as well.

We have made some moves to try to equalize social opportunities and social service benefits there. The member will recall that, with the help of some of the thoughtful people in this House, we have moved ahead on Ontario health insurance plan benefits for people in northern Ontario to assist in travel and a variety of other things.

I am not sure I am being helpful. Perhaps the member has a specific question he would like to ask me, but I can assure him this government is committed and is sensitive to the needs of the people of northern Ontario.

Mr. Pouliot: I am glad the Premier is willing to do at least something for the north, but what we need is more than a conversion on the road to Minaki. The south has benefited from the resources of the north for a number of years. The fact remains that the Premier refuses to give a commitment that top civil servants and bureaucrats will visit the north more often and that more offices will be opened across northern Ontario to provide essential services that people have been wanting for years.

Hon. Mr. Peterson: I know the member raises the conversion on the road to Minaki in jest, but there is a serious note to this. I share his views, I am sure, about Minaki Lodge. Look at the tragedy that $50 million was spent on that, and now the members of this House all agree it should never have been done. There is the chief architect right there. The member knows and I know what $50 million could have done for people in northern Ontario. To squander those precious resources in the name of an individual's ego, I agree with the member, is a tragedy. I am going to turn the floor over to–

Mr. Speaker: Order.

Mr. Bernier: On a point of order, Mr. Speaker–

Mr. Speaker: Under what standing order?

Mr. Bernier: My privilege has been jeopardized. The Premier had no right to refer to the Minaki issue in answer to this question, and he is totally wrong–

Mr. Speaker: Order. I distinctly heard the member for Kenora (Mr. Bernier) state that the Premier misled this House. Will he withdraw?

Mr. Bernier: With all due respect, let me explain. The Premier referred to it as a $50-million expenditure; it was a $23-million expenditure.

Mr. Speaker: Order. Will you withdraw? The member withdraws.

INSURANCE RATES

Mr. Barlow: I have a question for the Minister of Consumer and Commercial Relations with regard to insurance. He might be surprised, it is really not a new subject for today.

I would like to switch gears a little bit. We have been talking a lot about the public sector, hospitals and so forth. There are several major tourist attractions in and around the riding of Cambridge whose operators are more than a little concerned about the future of their businesses in view of the exorbitant costs of liability insurance and the increases this year. Just as a couple of examples, the African Lion Safari is facing an increase of about 525 per cent and Pioneer Sports World–

Mr. Speaker: Therefore, my question is.

Mr. Barlow: I am still in the preamble. I am framing the question.

Pioneer Sports World's water slide is facing an increase of about 415 per cent for half the coverage it had last year. The list goes on.

Can the minister please assure these people in the attractions industry that they will not be forced out of business because of these skyrocketing prices?

Hon. Mr. Kwinter: I cannot assure the member of that because I do not know what the other implications of their financial operations are. I can say that the purpose of this information hotline or source is to counsel people who are having problems to see if we can work out those problems for them.

Mr. Barlow: The minister is probably aware that, at this very hour, Attractions Ontario is holding a meeting out at the Skyline Hotel. The main topic on its agenda today is insurance. Is the minister prepared to respond to its concerns when it comes to him after its meeting today?

Hon. Mr. Kwinter: I will be pleased to respond to anybody's concerns in any industry and any public sector facility. If they have a problem, that is what we want to hear about and we will try to help them out.

WATER QUALITY

Mrs. Grier: I have a question for the Minister of the Environment. Last November, I introduced Bill 62, the Ontario Safe Drinking Water Act. At that time, the minister said his staff was working on a drinking-water strategy.

It has been generally acknowledged that activated carbon treatment is effective in removing chemicals from drinking water. We find that last September, the mayor of Toronto asked the minister to conduct a pilot project to evaluate the effectiveness of advanced treatment technology in Metro. Can the minister please tell the House why he has not yet responded to that request?

Hon. Mr. Bradley: The honourable member will be aware that such a pilot project is currently under way in Niagara Falls. It is evaluating the effectiveness of activated carbon as a potential for removing certain substances from the water. That is an ongoing project at this time.

Ordinarily when one undertakes these projects, one undertakes them at a facility which, first, is not a massive facility. I would call it mid-sized rather than a smaller facility. The member will also be aware that there were some problems identified at Niagara Falls and it seemed appropriate for the former minister to select that facility, partly on that basis.

We have to look at the results of that. If the results prove there is a need for the use of this method of water filtration in other municipalities in Ontario, if there is a proved need out there that must be met and this research points to the fact it can be effective, then we will be prepared to entertain it at that time.

I could elaborate, but I think the Speaker wants me to sit down.

3:10 p.m.

Mrs. Grier: I am not aware that the project in Niagara is ongoing. My information is that it has not yet begun. In his letter, Mayor Eggleton pointed out that the Niagara project was quite different from the conditions that exist in Metropolitan Toronto, and that it was important to have a pilot project in Metropolitan Toronto.

Do I take it from the minister's reply he does not agree that the evaluation of advanced treatment technology in Metropolitan Toronto is necessary?

Hon. Mr. Bradley: I do not think the member can assume that I do not consider it necessary. As I indicated, I am very interested in seeing the results of the effort that is being made at Niagara Falls, which she tells me has not advanced as far as we would have liked it to at this point. That could well be applied to Metropolitan Toronto.

I know the member would also want to see the funds devoted to environmental concerns used in the most effective manner. If we discover there are substances that can be removed through this method, and that these substances are present in great quantities in waters that affect Metropolitan Toronto and the city of Toronto, it might well be that we would be prepared to implement that methodology at that time. At this time, I cannot give a guarantee that would be the case. Of course, I am always considering these matters on an ongoing basis.

Ms. Fish: My difficulty is that the minister seems to suggest there is an unproved component of the technology and that we do not yet know whether it is effective. Why then are we using that technology on an emergency basis across the province, where known carcinogens and known causes of birth defects are determined in raw water as it passes through the treatment plant before it comes into drinking water supplies?

Hon. Mr. Bradley: That question should be directed to the member for Sarnia (Mr. Brandt) rather than to me, but I will be happy to answer it.

As the member will know as a former Minister of the Environment, it is generally recognized that this method is reputed to be quite successful in removing certain substances. The testing that is taking place at Niagara Falls is to determine how many substances and whether it has any effect on the synergistic or cocktail effect of several substances together found in a water stream that goes into a filtration plant.

The testing is to see how effective it is. We know it is partially effective and is utilized in certain parts of the world. However, we want to know how effective it is and whether there may

be even more effective ways of dealing with these waters. We have used it in emergency situations because of its known effectiveness to a certain extent. Can it be even more effective? That is what our pilot project will tell us.

INSURANCE RATES

Mr. Gregory: I have a question for the Minister of Consumer and Commercial Relations. It has to do with the insurance crisis affecting the transportation industry in Ontario.

Can the minister indicate what negotiations he has had in recent weeks with the Ontario Trucking Association and the 100 to 150 member companies facing bankruptcy? What alternatives can the minister recommend to these trucking companies that are unable to secure liability coverage and others that are facing increases of six to seven times the original premium cost for less coverage?

Hon. Mr. Kwinter: The trucking industry is a very specialized example in that there are really only three companies covering it and the biggest of them has gone bankrupt. The members will probably know that there have been negotiations for some time and the trucking industry is trying to buy United Canada Insurance Co. My information is that they will know in the next couple of days whether they have bought it and whether, if they do get it, that will solve their problem.

Mr. Gregory: That being the case, can the minister recommend alternatives to the carriers that are required to have unlimited liability as a result of the spills bill, which is his bill, when such coverage is not available in the market? Will the minister give us the telephone number of his so-called hotline so they can at least call him if they cannot get the coverage?

Hon. Mr. Kwinter: The spills bill legislation is covered by a separate pool of insurance and that has been subscribed to and has been looked after. As far as other insurance is concerned, the Facility Association is available. It will insure any truck driver, albeit at a higher premium than he could get normally in the marketplace, and it will also insure him for rates that will allow him to travel in the United States.

FUTURES PROGRAM

Mr. Warner: I have a question for the Minister of Skills Development regarding the Futures program or, perhaps more aptly, the back-to-the-future program, since we understand from the folks who are working with the program that nothing has changed in 10 years.

Will the minister acknowledge that there are certain difficulties with the program: in particular, restrictions that have been placed on community-based youth employment counselling centres; rigid rules on the length of placement, the wages and the age group; the shift that has taken place away from the community-based youth employment centre to the community college, and the particularly unfair restrictions placed on those who are working with the street kids?

Hon. Mr. Sorbara: There is not much time available to answer such a broad and sweeping question. Are there defects in the program? To tell the honourable member the truth, this program has design features that are remarkable and innovative beyond those of any other program ever mounted by this government or by any other government in Canada.

Let us take the example of youth employment counselling centres, which previously were restricted to a certain volume of their so-called business, one of the predecessors to Futures. That is no longer the case. It used to be 20 per cent. It is now broader than that, and a figure is worked out with each youth employment counselling centre on the basis of its needs.

Let us use the example of the level of assistance. The level of assistance under a number of the previous programs was $100 a week. Under this program it is the minimum wage. As the minimum wage rises, the wage of the participant in Futures rises. We could go through every element, but I do not think it is appropriate to do that during question period.

PETITIONS

ROMAN CATHOLIC SECONDARY SCHOOLS

Mr. Wildman: I have a petition signed by approximately 100 residents of the ridings of Algoma and Algoma-Manitoulin. It is addressed to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario, and in particular to the Premier of Ontario, the Honourable David Peterson, and it requests that this government preserve public education.

Mr. Pierce: It is my pleasure to present approximately 50 petition cards on behalf of some very concerned citizens of the district of Rainy River in respect to education.

Mr. Pouliot: I have a petition signed by 62 residents of the riding of Lake Nipigon. They are urging that the government of Ontario take steps to preserve public education.

Mr. Philip: I have a petition from several hundred people in the riding of Etobicoke and the city of Etobicoke:

"Whereas Bill 30 extending public funding to Catholic high schools up to and including grade 13 has now passed second reading in the Legislature, we petition that this legislation to fund the complete separate school system be implemented without delay and that it be applied as of September 1, 1985."

VISITOR

Hon. Mr. Nixon: On a point of order, Mr. Speaker: I want to bring to your attention that an outstanding citizen of Ontario, Jack Masters, the mayor of Thunder Bay, is under your gallery and we would like to welcome him.

3:20 p.m.

REPORTS

STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Mr. Callahan from the standing committee on regulations and private bills presented the following report and moved its adoption:

Your committee begs to report the following bill without amendment:

Bill Pr17, An Act respecting Children's Oncology Care of Ontario Inc.

The committee would recommend that the fees less the actual cost of printing be remitted for Bill Pr17.

Motion agreed to.

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS AND COMMISSIONS

Mr. Breaugh from the standing committee on procedural affairs and agencies, boards and commissions presented the following report on the matter of privilege relating to the action taken by the Canadian Imperial Bank of Commerce against the member for Riverdale (Mr. Reville) and moved its adoption.

Mr. Breaugh: This matter has been before the committee for some time. We had a difficult time coming to a conclusion, but we did manage to do so.

We have tabled the report today which, in effect, says that in the–

Mr. Speaker: Order. I am sorry to interrupt the member but there are quite a few private conversations going on that are not really very private. Could the members keep the noise level down, please?

Mr. Breaugh: The committee's report, which was finalized this morning, holds that basically three matters should be considered by the House.

1. A breach of privilege in the traditional sense did not occur.

2. The actions of the bank were ill-advised, unbusinesslike and unacceptable under the circumstances.

3. The whole matter of parliamentary privilege needs to be reviewed by a committee of the Legislature. The committee seeks the permission of the House to do that.

This was a difficult issue for the members of the committee to deal with. It was one of the few occasions when we have provided a dissenting opinion. The vote in the committee was six members holding that there was no breach of privilege and four members holding that there was a breach of privilege.

It is difficult to make a decision because when one looks at precedents, one is looking at parliaments, for the most part, of an entirely different time and era.

We are most anxious to proceed with the debate in the Legislature where we may have, as part of the matter, an opportunity for members to raise what they think should be the rules of privilege, how they might be applied, how they do apply, how they have traditionally applied and how they might be changed.

We feel there is a great deal of rather important work that ought to be done on this, and the committee is anxious to undertake that. I look forward to participating a little further when we have an opportunity to debate this.

On motion by Mr. Breaugh, the debate was adjourned.

MOTIONS

COMMITTEE SUBSTITUTIONS

Hon. Mr. Nixon moved that the following substitutions be made on the standing and select committees: on the select committee on the environment, Mr. Reycraft for Mr. Haggerty; on the select committee on health, Mr. D. W. Smith for Mr. Reycraft; on the standing committee on general government, Ms. E. J. Smith for Mr. Poirier; on the standing committee on public accounts, Mr. Ferraro for Mr. Polsinelli; on the standing committee on resources development, Mr. Mancini for Mr. Ferraro; on the standing committee on social development, Mr. Henderson for Mr. Epp, and for consideration of Bill 30, Mr. Epp for Mr. Henderson.

Motion agreed to.

COMMITTEE SITTING

Hon. Mr. Nixon moved that the standing committee on social development be authorized to meet on the morning of Wednesday, January 15.

Motion agreed to.

REFERRAL OF BILL 1

Hon. Mr. Nixon moved that the order for third reading of Bill 1, An Act to revise the Family Law Reform Act be discharged and the bill be referred to the committee of the whole House.

Hon. Mr. Nixon: Before the motion is carried, I would like to say that by special arrangement we expect to have the bill before the House this evening. The critics in the opposition parties have agreed to this. The Attorney General (Mr. Scott) is very glad to participate in this debate.

Motion agreed to.

INTRODUCTION OF BILL

FOREIGN ARBITRAL AWARDS ACT

Hon. Mr. Scott moved, seconded by Hon. Mr. Nixon, first reading of Bill 98, An Act to implement the United Nations Convention on the Recognition and Enforcement of Foreign Arbitral Awards.

Motion agreed to.

Hon. Mr. Scott: Today I am happy to introduce this bill, which will have important implications for both large and small businesses in Ontario, especially businesses that do work as importers or exporters. The act I have introduced will make effective arbitration clauses in international business contracts.

The act is intended to implement in Ontario the United Nations convention on the recognition and enforcement of awards, once Canada accedes to the convention. Implementing the convention will provide on a reciprocal basis a simple and fast way of enforcing foreign arbitral awards in Ontario, and provincial businesses will have reciprocal rights in other states that are parties to the convention. The federal government accedes to the convention formally when the provinces have agreed, as they all have in principle, that acts will be passed in each provincial Legislature.

The importance of the bill is that the business community tells us it has lost international contracts because those contracts cannot be enforced in Canada and in Ontario under the convention. We are delighted, in the interests of the Ontario business community, to take this step to see that does not happen any more in a broad sphere.

ORDERS OF THE DAY

MOTION TO SET ASIDE ORDINARY BUSINESS

Mr. Timbrell moved, seconded by Mr. Runciman, that pursuant to standing order 34(a), the ordinary business of the House be set aside to debate a matter of urgent public importance, that being the acute situation facing school boards, municipalities, hospitals, other public bodies, consumers and the insurance industry with regard to the provision of comprehensive, affordable insurance coverage.

Mr. Speaker: The notice of motion was received in time, at 11:50 a.m., and complies with standing order 34 regarding the notice requirement. I will listen to the honourable member for up to five minutes, as well as to representatives from the other parties.

Hon. Mr. Nixon: Unless there is an objection, could we dispense with the five minutes?

Mr. Timbrell: If the government House leader is prepared to indicate agreement to proceed with the debate, I will certainly stand down my five minutes of remarks so the debate may commence and afford to my colleagues and other members of the House that much more time to debate this very urgent problem.

Hon. Mr. Nixon: I interjected that perhaps we could do this, if there was agreement on all sides, because I often find that the five minutes spent arguing whether we should do it contains all the arguments that are going to be put forward later in the debate. I think it is better to start the debate, if there is general agreement, and there is on this side.

Mr. Foulds: Agreed.

Mr. Speaker: In that case, I shall put the question, shall the debate proceed?

Motion agreed to.

3:30 p.m.

INSURANCE RATES

Mr. Speaker: Each honourable member has up to 10 minutes.

Mr. Brandt: This matter we have agreed to debate this afternoon is a matter of urgent public interest and one on which I look forward to hearing some of the views of all members of the House. It is quite clearly going to impact very directly and negatively on the budgets and

financial arrangements of our various institutions across this province. For that reason, I think it is a matter we should be discussing in this House.

I listened very carefully to the statement in the House today by the Minister of Consumer and Commercial Relations (Mr. Kwinter), and I say with some regret that I do not see him in the House now, either to participate in the debate or listen to the comments we are making in connection with the crisis we are now experiencing in the insurance industry.

However, I would like to say, from the comments I heard on the part of the minister, it appears he has an understanding of what has brought about this crisis, namely, a very severe problem relating to the reinsurance market and the availability of funds in that market and also some of the recent court settlements that have resulted in very substantial payouts on the part of municipalities and others.

The one cited most frequently is the case heard in Brampton, where the settlement, because of an unfortunate incident that affected a young gentleman in that community, resulted in a payout of about $6.3 million. That payout, along with some other situations that have developed, mainly as a result of a public more aggressive relative to getting settlements for what are perceived to be problems created by municipalities, hospitals or others, a public more aggressive in pursuing its rights, has resulted in a very substantial impact on the insurance industry as a result of the settlements the courts have been making.

Those settlements have found their way through the whole issue of premiums to the extent that now not only public institutions, such as hospitals, municipalities and educational institutions–school boards and so forth–but also the private sector are being affected very negatively as a result of the trend we see developing very quickly in the whole insurance field, with increases of 100 to 1,000 per cent being the order of the day rather than an unusual circumstance.

I suggest one of the reasons we felt it necessary to have this emergency debate today was that the response of the government has been far too little and too late for the very critical situation in which we find ourselves at present. The government has known about this problem at least since the time of the Association of Municipalities of Ontario conference in August 1985. Fully six months or more have passed since the issue was very clearly identified and very articulately debated at the AMO conference. Every indication was given at that time that a number of things were going to happen. One was that premiums would rise to an unconscionable level. Then there were indications that premiums would be increasing to the extent of 200 or 300 per cent.

In addition to that, many municipalities put forward the view at that time that there was a very strong likelihood they would not be able to get any kind of insurance coverage whatsoever unless they paid an absolutely exorbitant increase well beyond the capacity of either the municipalities or their taxpayers to pay. Therefore, I put on the record for the attention of the government the fact that this particular issue has been around for a long time and some response was demanded on the part of the municipalities and other public institutions that was not forthcoming.

The minister indicated in his statement today, almost in a mea culpa kind of attitude, that the problem was worldwide and had developed in the reinsurance markets in London, Europe and the United States. I do not disagree with that. There is a very serious problem with respect to the availability of capital to cover the reinsurance needs, not only of Ontario and Canada but also the rest of the world. However, that is not the only problem.

There are responses the government could make other than to say it is going to establish a hotline, for which no answers are available at the other end, or that it is going to hold a further series of meetings. If meetings should have been held at all, they should have been held in the summer of 1985 when the problem was first identified.

I should not even give the government the opportunity to indicate that it was first identified at that time. There were indicators perhaps even a year prior to then that a problem was starting to emerge in that industry and sector that would impact very critically on this province, so that action should have been taken far earlier.

When I suggest meetings could have been held back in August or September, it is with the hope that those meetings would have resulted in some solutions for the municipalities. One of these solutions, and not an easy one because I am not aware of any quick fix in this circumstance, could well have been an agreement on the part of the government to provide at least some relief to our institutions.

In that broad category, I include boards of education, municipalities and all the institutions that come under the aegis of the province. The government could have indicated at least some willingness to participate in the huge increase in

premiums that was going to affect these institutions.

There was no indication by the government other than what we heard today that, in some kind of ad hoc approach, it will help in some cases and perhaps not in others. However, there is no uniform program or indication by the government that it is prepared to table in this House a program that will respond to the very real needs of municipalities, hospitals, school boards and others.

There is a real need for the government to respond immediately with regard to some fixing-up of the problem by way of suggesting that it is willing to participate financially in the crisis of increased payments. It can come up with a reasonable and realistic formula, as it has done with many other programs, that municipalities and others could participate in that would help to cushion the immediate blow.

In the longer term, perhaps the government could explore, through a committee mechanism or whatever, the possibilities of some capping of the awards that have been brought down by the courts. Some of the awards are totally unrealistic.

Mr. Haggerty: Is the member suggesting government-run insurance? That is what he wants, but he will not come out and say it.

Mr. Brandt: No one on this side of the House has called for government-run insurance. What we have talked about is the government carrying out its responsibilities to regulate the insurance market and to make certain that the consumers, taxpayers and institutions of this province are dealt with fairly.

That is what we are asking the government to do. We are asking that it be a watchdog and participate where necessary to make sure the game is played fairly. There is no reason these increases are necessary in Ontario. There are other ways to control the issue and the problem to the extent that insurance is more affordable for our municipalities and others.

I would like to see a more immediate response on the part of the government. I would like it to recognize the critical nature of the problem and to recognize that increases that in some instances are as much as 1,000 per cent are simply unrealistic and unreasonable in terms of affordability on the part of our institutions.

3:40 p.m.

Some action is being cried out for. There is an immediacy to the problem that means it has to be looked at by the minister today. That is why almost the entire question period this afternoon was dedicated to the issue of the insurance industry and the problems that our institutions in particular, but also the private sector, are having at present with respect to insurance.

I see that my time has expired, and I want to sum up by asking the minister again to give his immediate attention to this problem, because it requires that kind of government attention now.

Mr. Timbrell: On a point of order, Mr. Speaker: May I draw to your attention that there is not a quorum in the House at this time.

The Deputy Speaker: Apparently there is a quorum. There are 20 members present.

Mr. Rae: I will try to put a slightly different focus on my remarks than were put on the ones that have been given about the crisis from which we are suffering. I do not think it is a crisis simply of insurance companies or only of institutions. In a curious way I am glad this has happened the way it has, because it allows us to focus our attention much more intensely on what the real problem is.

I am glad the minister is here, because I hope he will pass on what I have to say. I certainly intend to talk directly to Mr. Slater about it, because he was the chairman of the Economic Council of Canada when I was Finance critic. If I may say so, he was far more interested in my economic views than the minister was, and we had many good exchanges on the question of what was going on in the economy. I certainly will discuss these issues with Mr. Slater on behalf of our party.

There are, in a sense, two problems. The task force has been given the task of looking at one of them, but it has not been given the task of looking at the other. I want to relate directly what the other problem is.

The member for Sarnia (Mr. Brandt) has spoken very clearly on the crisis facing the institutions, of which we are all aware. Many individuals have been made aware of it through headlines in the press and through a number of other means. Many people are also aware, because they pay car insurance premiums, that we as consumers in this province are suffering from a very dramatic increase in rates, which is not a worldwide increase; it is not shared in Manitoba, in Saskatchewan or in British Columbia. Therefore, with respect to the car industry, the minister's comments about the worldwide nature of this crisis are completely off base.

Rather, I want to focus on another point, and that is that the world of private insurance today as it affects the individual is a crap shoot; it is a process of roulette. It is not a process in which the

individual can say, "I know I am covered and, whatever happens, I know I will be adequately compensated if, God forbid, I should have some kind of accident."

The ordinary working person today is covered by workers' compensation if he or she has an accident on the job. That was established in 1915. We abolished the domination of the world of tort, of private lawyers and of private lawsuits for a very simple reason. Far too many people were getting injured on the job who could not claim compensation under the private rules of tort; so we abolished the private rules of tort as it affects workers' compensation.

However, lawyers, the insurance industry, the world of tort and the world of private wrongs and private rights have remained the rule that has held sway in all the rest of the field of accident compensation. If one is injured while driving a car or while working in one's house, or if one suffers from some other disability or disease, one is not covered by workers' compensation or by a general insurance plan. One is left to one's own resources in the private world of the wonders of tort law, of responsibility, of negligence, of having to prove in a court of law that someone else has been negligent, and if that person has been, he or she has to take responsibility for paying for the disability.

There is a crisis today which the minister has referred to as worldwide. I take issue with him to some degree on that score. There is another problem which I am sorry he did not ask the task force to look at. That problem is that literally every ordinary person in this province is underinsured, underprotected and undercompensated in 99 cases out of 100, when it comes to an injury or accident that affects his or her ability to earn an income.

These issues are not original to me today in the sense that this is not the first time we have spoken about them in this House. My colleague the member for Nickel Belt (Mr. Laughren) has been instrumental in talking about universal sickness and accident insurance and he continues to do so.

Professor Weiler, in his report Protecting the Worker from Disability: Challenges for the Eighties, has some very tough paragraphs and compelling arguments with respect to universal insurance. Professor Belobaba, in Products Liability and Personal Injury Compensation in Canada: Towards Integration and Rationalization, a report produced in 1983 for the Department of Consumer and Corporate Affairs, has again made an overwhelming case for universal sickness and accident insurance.

The evidence is that only about 45 per cent of people who are injured in a motor vehicle accident collect any money at all through a tort claim, which means more than half the people who are injured in a car accident do not, either because they cannot establish that somebody else was at fault, do not have the patience to go through the two or three years it takes to sue, do not have the money, or the vagaries of the system simply do not produce somebody who is in a position to pay.

As for the degree of the problem we are facing today, the reason I have described the system as a crap shoot is that there is something very wrong with a system of liability insurance that can provide a benefit or payment of literally millions of dollars in isolated instances and in tens of thousands of other cases provide absolutely no insurance whatsoever.

There is a rational answer to this. I do not honestly believe this is how it would be described by our opponents, who say this is simply yet another example of socialist ideology in action. It is much more a question of common sense. What do we want insurance for? We do not want insurance to provide a windfall to anybody; we want it to ensure in the case of individual accidents, whether they take place in a hospital or someplace else, that anybody affected is somehow made whole as far as possible and given the economic compensation that will provide for loss of income and for pain and suffering.

3:50 p.m.

That is not the case now. I do not think the private insurance industry today is capable of providing that kind of system. The evidence is overwhelming that in Ontario we have not been well served by the industry. What we are experiencing today is very eloquent evidence of that.

I believe very strongly it is difficult for the minister to maintain that what has happened is a result of the gnomes in the reinsurance industry somehow—out of the blue; without any warning, as it were—coming down and making life miserable for distinguished Canadian institutions that are publicly oriented. What we are seeing is the irrationality of the present system, a system that does not work and needs to be changed. I sincerely hope the commission the minister has established will be able to make the changes.

Hon. Mr. Conway: I am pleased to have the opportunity to speak briefly this afternoon to the motion standing in the name of the member for Don Mills (Mr. Timbrell). I have read it very carefully and note that the honourable member's

motion draws our attention to a situation he describes as urgent and acute.

Mr. Timbrell: The member for Renfrew North (Mr. Conway) has finally frozen the clock.

Hon. Mr. Conway: That would concern me to a very great degree, but I see it has come unstuck at the suggestion of the member for Don Mills.

Mr. Timbrell: Just like the member.

Hon. Mr. Conway: I hope I have not come unstuck.

Mr. Timbrell: I have been wondering.

The Deputy Speaker: Order.

Hon. Mr. Conway: I hope I get some credit from my friend the member for Don Mills for trying to behave in a different style from what he might have been traditionally accustomed to in this place.

I note the motion standing in the name of the member for Don Mills does not go on to address possible remedies. I know this is a thoughtful and constructive opposition that has had a long experience in government. I am sure before this afternoon's debate has concluded that the members of the official opposition will expand upon the sparse language of the motion and indicate whether they favour any particular remedy.

My colleague the Minister of the Environment (Mr. Bradley) was at some pains this afternoon to point out, through a very extensive question period on the subject, that it was hard to know whether the official opposition was tending in the direction of public insurance, not only in the liability field but elsewhere as well. Before the afternoon is out, we might have the benefit of the views of the official opposition.

I think it is fair to say, as I look across at my friend the member for Port Arthur (Mr. Foulds), that we know precisely where the third party stands on this matter.

Mr. Rae: And on everything else.

Hon. Mr. Conway: I will not hold the leader of the third party to his aside.

It is true, as has been commented on by a number of members, that a difficulty has developed in recent weeks in this connection. I want to say on my own behalf and on behalf of the government that we feel very strongly that the Minister of Consumer and Commercial Relations has taken appropriate and positive steps to deal with the situation. He is to be congratulated on his efforts in this connection.

I know my friend the member for Port Arthur, being the thoughtful and deliberate fellow he is, will agree with me when I say there are no easy solutions to some of these rather complex situations. I know the member for Port Arthur wants to agree with that. I see him not nodding, but smiling at what–

Mr. Foulds: Laughing in derision. This is not a speech the member for Renfrew North should be making.

The Deputy Speaker: Order.

Hon. Mr. Conway: The Minister of Consumer and Commercial Relations has taken steps to deal with the situation. As he indicated this afternoon, he has outlined a strategy that deals with both the short-term resolution and the long-term resolution.

Much has been said in this House about the difficulty school boards find themselves in, and in the motion itself there is a reference to that. I thought it would be useful for me this afternoon to indicate to the House what the present situation is with respect to the school boards in Ontario.

As of this moment, all the school boards but one in the province have liability coverage. The one school board that does not have liability coverage is a northern board. Interestingly enough, the Moose Factory board was under the impression until late in 1985 that it would have a renewal without any great difficulty, and we expect the situation at Moose Factory to be resolved shortly.

As of this moment, to the best of our information, and I consider our information to be quite reliable, all but that one school board have coverage. It is true that in many cases the circumstances of the coverage and its renewal are rather different from previous situations. In some cases, the premiums are higher; there is no doubting that. As was indicated earlier today by a number of honourable members, it is also true that there are or may be situations in which the new coverage carries with it exclusions that have not been there in the past.

We in the Ministry of Education do not deny this. We do not deny that the circumstances of liability insurance have changed in recent times, and we are trying to the best of our ability to address the new and expected reality. In the past number of weeks, the Ministry of Education has been working closely with school business officials across Ontario. I know my friends in the opposition will be happy to know that over the Christmas break a meeting was convened to see what the situation was and what the options might be.

Mr. Gordon: Marvellous.

Hon. Mr. Conway: The member for Sudbury (Mr. Gordon) says he is not interested–he

probably is–but there is growing interest among school boards and their business officials in exploring the possibility of a reciprocal or co-operative arrangement. More than 30 boards have expressed real interest in that prospect.

The ministry has indicated its willingness and desire to co-operate with school boards right across Ontario to facilitate that kind of arrangement, should it be desired by the school community. We see that as a real option, one in which a number of boards have expressed a great deal of interest.

We must recognize, as I am sure all honourable members do, that working out such an alternative as a reciprocal or co-operative arrangement is going to take some time. It is a new departure for that community and it is going to take some effort, commitment and planning, should it be decided upon as a course of action.

I want all members of the assembly to know that this ministry and this government have not been idle or unwilling to work with the community. In my case, as Minister of Education, I have been working quite closely with school boards from Alexandria to Atikokan to see what their situation is and what their view is about what changes or alternatives, if any, might be made or offered. That is the way this government chooses to operate, and I feel very comfortable with that consultative mode.

Mr. Foulds: The minister is not exuding comfort.

Hon. Mr. Conway: I hope I am, but I want to indicate to the House that these are complex and at times difficult matters. I do not want to be trite or casual–

Mr. Foulds: It never stopped the minister before.

Hon. Mr. Conway: The member for Port Arthur takes me on to thin ice. I will leave my history to the historians.

Mr. Reville: Take out some insurance.

4 p.m.

Hon. Mr. Conway: I can tell the member for Riverdale (Mr. Reville) that the story of my auto insurance is not a happy one, and I would not want to share it with any of the members. However, I would be prepared under pressure to tell them that my rates are not among the lower rates in this assembly or in this province.

Mr. Grande: When the minister hits 35, they will drop.

Hon. Mr. Conway: I did not know the Highway Traffic Act allows us to have 35 demerit points.

I conclude by indicating that in this government and in the Ministry of Education we take our responsibilities very seriously. We are working carefully and continuously with the Ontario Association of School Business Officials, which has been very helpful in sharing information with us and will continue to do so. Another meeting with the OASBO is planned very shortly. We have been looking very carefully, with that group, at the co-operative alternative and we will continue to do so.

In conclusion, the Minister of Consumer and Commercial Relations is to be commended for the very careful and deliberative way he has gone forward in a very difficult time with a very complex subject.

Mr. Runciman: I have a few brief comments. I will not speak as our party's critic for the ministry, but simply to try to touch on a number of concerns in my home town of Brockville where, as with all municipalities across the province, it is experiencing problems not necessarily in obtaining–it is not a question of availability–but in affordability with respect to acquiring adequate insurance.

In Brockville, the liability insurance rate has jumped a whopping 172 per cent. It has had indications that the rate will climb even higher when the policy is renewed later this year.

Mr. Foulds: Is that the municipality?

Mr. Runciman: That is the municipality, yes.

The insurance broker who is handling it for the city, through Royal Insurance Canada, has indicated, venturing a guess, there will be at least a 50 per cent increase in June. It was mentioned that some municipalities are experiencing 200 per cent to 300 per cent increases.

In smaller communities that do not have the tax base to deal with those kinds of significant increases and with the problems of those additional costs to local taxpayers and the additional burden they are going to have to shoulder, the concern is whether they are going to have the capability to do so.

In the case of Brockville, it is also going to have an impact on a variety of functions. The municipality is going to have to take a look at the functions that are going on, and I expect this would apply to other municipalities as well. If a service club, for example, is having a function in the city and wants to have a beer garden, the municipality will have to look very closely at allowing that sort of fund-raising activity to continue because of the liability implication.

The two Brockville hospitals, the Brockville General Hospital and the St. Vincent de Paul

Hospital, are experiencing considerable problems. At the General Hospital, the cost of liability insurance has skyrocketed 360 per cent for the yearly package of protection. That sum has gone from $15,000 to $55,000. That is only for malpractice liability. It does not include the cost of fire, theft and other insurance it must carry. At St. Vincent de Paul Hospital, the premium for malpractice liability has increased by 325 per cent to about $30,000 this past year. The future does not look very bright.

The administrator for the General Hospital indicates the major problem the hospitals face is that almost no company wants to insure them for malpractice because of hefty awards handed out in lawsuits. Again, he has indicated the hospital can shop around, but it cannot carry anything less than comprehensive coverage because a successful suit against an insufficiently insured hospital could be in the millions of dollars and be a deadly financial blow.

A number of things that were raised during question period today could be re-emphasized. My leader asked the minister whether he had queried the superintendent of insurance about his view of whether those rates were appropriate; too low, too high or just right. The minister indicated he had not approached the superintendent about that and had not requested his views on this subject.

It might be helpful to take a look at the situation in Quebec, for the superintendent in Quebec did make a public statement about the appropriateness of rates in that province. He found them to be quite appropriate and justified, I might indicate. That did help to a significant degree, I understand, to quell a lot of the concern out there about the increase in rates.

We know that the rate increases during the past number of years have not really been all that high. Perhaps it is the fault of the industry that it had not adequately foreseen some of the problems that were going to occur in the years approaching and did not adequately reflect what it should have been doing to prepare for them in the rates that have applied in the province in the past.

The Minister of Education (Mr. Conway) was indicating that the government had not been idle in this area. We on this side have some doubts about that statement.

I mentioned earlier today, and the minister may want to comment on it if he has an opportunity later on in the debate, the committee that had been established by the previous government. Although its mandate certainly was not as wide-ranging as that of the task force he announced today, it was dealing with aspects of the industry that are of concern, aspects that, as I mentioned, are threatening the solvency of smaller insurers and leading to an affordability and viability crisis for the compulsory auto insurance system.

We talked to the superintendent or to someone in his office this afternoon just before question period and he indicated that the committee had held its first meeting some time in March, and that on July 4 it had been adjourned and was effectively in a state of limbo.

This committee had a limited mandate, but there were areas of concern. When the Minister of Education indicates that the government has been vigilant, not idle, his lack of awareness in respect to this committee has to raise some concern. These problems were flagged many months ago. The information sheet I was given indicated that as of March, reinsurers had already acted to restrict their obligation to primary insurers: "We are now fully exposed to unexpected claims awards arising from judicial reinterpretation of policy wording."

The problem was identified many months ago and we had a committee dealing with certain aspects of it. It has been allowed to sit there idle since July 4, 1985. One really has to wonder how vigilant and how concerned the present government has been.

From our perspective, we believe that the government has really started to take a close look at the situation in the last little while only because of the snowballing impact that the problems in the industry are having on all aspects of business, public school systems, hospital systems and what have you in this province. It is quickly growing into crisis proportions, and now the minister comes to the House and says: "Yes, we are going to act on this. We are going to establish a task force. We are going to look at it." That was a response he made today to many questions: "We are going to look at it. Yes, we will look at it."

4:10 p.m.

For six or seven months this government–obviously, it is a new government and it has to have an opportunity to become familiar with the responsibilities that fall upon its shoulders–has had more than an adequate time and it simply has not acted in an adequate and responsible manner in respect to the concerns that are out there in the province today. They are acting late in respect to this announcement. The fact that committee has been allowed to sit idle for months indicates that quite clearly.

I had better avoid specifics with respect to personalities, but we have to think, from this party's perspective through this debate, this indicates quite clearly how strongly we feel about the problem that has been allowed to grow because of the inaction of the present government. We can assure the minister and other members of the government that we will continue to monitor the situation and their actions and keep on top of them on behalf of the consumers of this province.

Mr. Foulds: I rise to speak in this emergency debate and indicate we in this party feel very strongly that the insurance business, particularly with regard to automobile and liability insurance, is in a crisis in the province.

The minister in his statement, lengthy though it is, actually uses the word "crisis." He admits there is a crisis. That seems to me automatically to indicate that some direct and immediate action should be taken. What we have, in effect, is a statement that tries to give the minister three months of breathing time while he and his government figure out what they can do to protect the consumer.

That is going to be extremely difficult for the minister because he also wants to protect the marketplace and the insurance industry. He is going to have to take the bullet between his teeth and bite it. He is not going to be able to protect all of those people in the same old way.

There is a crisis and the present system has not been able to meet it. The crisis is on us now and what the minister has shown is that he is a captive of the insurance industry and the shambles that is his ministry, and that his ministry is unable and unwilling to protect the consumer.

That has been true of that ministry since its creation at the beginning of the 1970s and, unless this minister and the government show more strength than they have in this regard, it will not be a protector of the consumer, it will be a defender of the commercial interests.

I believe it is extremely important that the minister puts the protection of the consumer at the forefront of his thinking. It does not matter to me whether the consumer is a large agency such as a municipality, a school board or a children's aid society, or an individual. Those consumers are not being protected at present.

What has happened is that this crisis is in one sense suddenly upon us. School boards, children's aid societies and municipalities made the assumption they would be able to renew their liability insurance at reasonable rates. What appears to have happened is that, suddenly, over December and the Christmas holidays in particular, they got the word from their broker, after the broker had sent the policy in to the head office of the insuring company, that it came back saying either lower limits and a much higher premium, or clauses such as those encountered by the Wellington school board, which were so vague it did not want to leave itself open to a liability it might experience.

That cannot be allowed to happen. We cannot have children going to school and being denied the legitimate curriculum programs designed by the Ministry of Education because the insurance industry cannot meet its obligations. That is what has happened. The insurance industry has not been able to meet its obligations in the marketplace in the current circumstances. It has not been able to provide insurance at a reasonable rate to municipalities, school boards and children's aid societies.

The second crisis is the crisis in the automobile insurance area. It amazes me that the minister says it is a worldwide crisis. I admit there are some elements of that in it, but it seems strange to me that it is a worldwide crisis Manitoba, Saskatchewan and British Columbia do not seem to be experiencing.

I failed to notice that my own liability insurance on my home and the liability portion of my automobile insurance went down during the price wars in the early 1980s that the minister talks about. I did not notice any decrease in my premiums and my wife did not notice any decrease in our premiums. I fail to understand how the minister can defend that system when we are facing increases of 15 to 25 per cent on average when we already pay the highest prices in Canada.

The minister can say it is a function of Ontario being a more dangerous place to drive. I do not believe that. I believe our highways are just as good as those in any other province in Canada. I believe our drivers are just as safety-conscious as those in any other province in Canada. We were one of the first provinces in Canada, if not the first, to bring in seatbelts.

I fail to understand that it is a function or result of high population when northern Ontarians in the sparsely populated north pay higher rates than southern Ontarians. I fail to understand why, for communities of comparable size in northern and southern Ontario, northern Ontario communities pay more. There is a heck of a lot the insurance industry has to answer for and it has not done so.

Calling for public auto insurance is not a wild-eyed, left-wing, socialist scheme.

Mr. Breaugh: Bud Gregory was doing that this afternoon.

Mr. Foulds: The member for Mississauga East (Mr. Gregory) got dangerously close to calling for that.

Not only that; that well-known, socialist-backing newspaper, the Toronto Sun, said in an editorial on January 6: "Ontario drivers have just been issued a staggering challenge. They're being told: Go ahead, operate a car–if you can find the money...The average safe driver, age 30, will pay for insurance what, not so long ago, was the price of a decent used car." It ends its editorial by saying, "It's a situation that must be changed in the name of justice and common sense."

4:20 p.m.

Mr. Breaugh: Amen.

Mr. Foulds: I say, as does my colleague the member for Oshawa (Mr. Breaugh) and as do the auto workers who read the Sun and work in the plant, "Amen to that." It is common sense and justice. I suggest to the minister that we have some modest solution, at least to the crisis in the automobile insurance industry, and that is public auto insurance and no-fault insurance.

It makes common sense and justice. It is instructive to note that after these schemes, ideas and plans were brought in in Manitoba, Saskatchewan and British Columbia, all under enlightened New Democratic Party governments, the Tories did not repeal them in Saskatchewan, the Social Credit did not repeal them and the Liberals have not repealed them.

Mr. Reville: They would not dare. There were no Liberal governments.

Mr. Foulds: There were no Liberal governments, which is why they could not repeal them. Now we have a Liberal government. Let it for once show a little initiative on behalf of the consumer in Ontario that is not in the accord or in its ideology and bring in no-fault public auto insurance. The people of Ontario would thank it.

Hon. Mr. Fulton: I do not know who scheduled the order of speakers, but clearly I am here to act as a change of pace from my honourable friend opposite. I have heard a number of concerns expressed with the issue before us today. I have not heard too many solutions proposed.

Mr. Foulds: Come on. I have just proposed two.

Hon. Mr. Fulton: I have heard one possible solution, and I know my colleague the minister will be considering that, as I think he indicated.

I appreciate the opportunity to make a few comments, given the nature and the urgency of the debate on this issue. I am very mindful of the concerns raised by my colleague the Minister of Consumer and Commercial Relations. As Minister of Transportation and Communications, I have had a particular interest in the issue, and as a former member of a municipal council, I have had a concern with it for some time. It is not really a new issue; it is not unlike a similar crisis I believe we went through around 1978.

I went to Washington last November to discuss matters related to the transportation industry. The very first issue raised by various representatives of the industry was the rapid escalation of insurance premiums, particularly in relation to liability coverage.

On that basis and on the basis of other personal experience, I want to acknowledge that the problems addressed by my colleague are of international concern and very much on the minds of the automotive and trucking industry and related industries. That is certainly so in the United States, if some members cannot believe it is an international or worldwide crisis. It is critical in North America as it affects the transportation industry.

Throughout the summer and fall, I met with a number of my client groups, the people I represent here in cabinet and in the House. On each occasion, whether it was the Ontario Motor Coach Association, the Ontario Trucking Association, the Great Lakes shippers, the log haulers from northern Ontario, the Ontario Urban Transit Association or those components I am directly responsible for, such as GO Transit or, indirectly, the Toronto Transit Commission, they expressed growing concern.

Last October I addressed the annual meeting of the Ontario Motor Coach Association on two occasions. At that time, on behalf of my colleague the Minister of Consumer and Commercial Relations, I raised our concerns about the growing insurance premium problem that was affecting the bus industry, particularly the smaller operators who in some cases, it is suggested, may not be able to continue to operate.

My friend the member for Cambridge (Mr. Barlow) will recall I spoke to the Ontario Trucking Association some time last fall and raised with its members the same concerns and listened to their concerns, as I did with the Ontario Motor Coach Association.

Earlier this afternoon during question period, a member raised the fact that the city of Scarbor-

ough, my home city, was hit with a 137 per cent increase in its liability insurance. That is true, but I would like to point out, reflecting on my earlier comment, that this is not a new issue that has been brought before this minister. That increase to the city of Scarborough and other municipalities was made known to them in the fall of 1984, some time before this government took over. That increase took effect in May 1985 in conjunction with the city budget; so that is not new with this government.

The rising costs of insurance affect, as I indicated, some of the carriers for which I am directly responsible. For instance, the insurance premium of the GO bus system is rising by approximately 120 per cent for 10 per cent less coverage this year. In addition, the deductible portion of the coverage is rising from $50,000 to $1 million. This is most ironic, given that the largest claim ever lodged against the GO Transit system is in the range of $150,000. The increase to the GO train system is less dramatic but for far less coverage. The deductible portion, again, rises from $1 million to $5 million in a system where the largest claim ever was a mere $8,000.

This story is the same for many of the other 71 municipal transit authorities, the taxi industry and truckers, to say nothing of the increased levels of insurance premiums we and others as drivers and home owners are facing across this province.

I am very pleased to see the comprehensive actions outlined by my colleague today. It is a recognition on the part of the minister that there is a situation that needs to be very clearly addressed and focused upon by all the players in the industry and all members of this House. I applaud his initiative in attempting to resolve this issue, which will likely continue to be before us for some time. It is not something controlled on any given street or in one building in Toronto or in the province. I am especially pleased he has established the task force, as he indicated some time ago he would do. The recommendations will come back to us within the next three months, as I understand it.

On behalf of the client group I represent, we will be closely monitoring the progress of this task force as it affects this ministry and the driving and consuming public of Ontario. Where necessary, to the greatest extent possible, I will be representing to the minister and his staff the GO interests for which I am responsible. In the process, the industry, the public and drivers across this province will have a receptive and responsible government listening to their concerns and, as indicated by my colleague's action, a government prepared to act.

Mr. Gordon: What disturbs me most about this whole issue is that it is not something that was not known about for some months. The minister has not been as fast on his feet as he could have been, given the many warnings that came from people in the industry and municipalities, such as those in the Association of Municipalities of Ontario and in the hospital field, who could see the tremendous increases coming down the track in liability insurance.

It is ironic that, just at the moment when oil prices are tumbling and the consumer is beginning to see a light at the end of the tunnel, when it looks as if the fires of inflation are going to abate to a certain degree, we now find we are into this crisis over insurance.

I will speak about Sudbury, to give an example of what people are facing. This will save the minister having to ask his staff to do that kind of research in my region. The cost of liability insurance for the regional municipality of Sudbury in 1985 was $90,000. In 1986 it is $191,000. Overall, insurance premiums have risen by 75 per cent and claims payouts will be 300 per cent more because the deductibles have been raised substantially.

4:30 p.m.

To look at some of the hospitals–for example, Laurentian Hospital–its liability insurance for the year ending June 30, 1985, was $21,000; for the year ending June 30, 1986, it is $66,000, a 214 per cent increase overall in hospital insurance premiums.

Let us take another institution, one that has played a very important role in the recreational history of Sudbury, the Sudbury Curling Club Ltd. Interestingly enough, some years ago when we were having all the problems with arena roofs throughout Ontario, it was found that the Sudbury Curling Club had to replace its roof. As a result, it spent a great deal of money, almost $100,000, replacing the roof. It hired one of the consulting engineering firms that was recommended by the province as being adequate when it came to the standards it followed. Yet this same curling club came to me just last year with a very disturbing report that the Ministry of Labour had gone in and said the new roof did not meet the standards the consulting firm had built into the drawings and, as a result, the roof had to be replaced.

After a great deal of lobbying, Wintario has agreed to provide half the sum of money that is going to be required. This is a curling club that

has a board of directors. These people are citizens in the community and they are very worried about whether they can raise enough money to replace the roof, even after the Wintario contribution, because they have to put up the rest of the money by raising it from the citizens of Sudbury.

It is interesting, too, that on Monday a group of senior citizens came to see me in my constituency office. They are an organization of about 400 and they were wondering whether the government had some program at the present time that they could plug into and get money from so they could perhaps make a contribution to the Sudbury Curling Club. They are thankful for having this club there because they can meet and curl there.

As members know, in the Sudbury region we have a great number of retirees as a result of the things that have gone on within the nickel industry. They do not have another place to go. Yet this curling club is just hanging there by its fingernails, barely holding on. It has found that its liability insurance is going up. In 1985 it paid $3,500 and in 1986 it is going to pay $5,100.

Municipalities, school boards and hospitals have a source of funds they can go to. While they are in dire straits, and this is going to create great difficulties for our taxpayers, we also have to remember there are a lot of small institutions out there, people who are just holding on. These increases are going to put some of these clubs and organizations right under.

This is a very serious problem, and that is why I have to say that while the minister has seen fit to set up this task force and is going to examine the problem and so forth, it is not something we can wait and wait on, because organizations that perform very important services for the people in this province are going to disappear.

I think there are some things the minister can move on right now. I would like to suggest that he look very seriously at a provincially administered liability fund that would collect premiums directly from municipalities, hospitals, school boards, etc. This would be a publicly administered pool arrangement, so it would be cost-efficient. It would not have the profit motive worked into it; so it would be structured in such a way as to be quite effective in its delivery of services.

My other suggestion is that the minister get in touch almost immediately, as of today, with his federal counterpart and begin working right here in Ontario on the kind of legislation or amendments necessary to put a cap on the liability that institutions or municipalities in the province would be liable for in the event of an accident.

It is quite true that part of the problem we are facing today comes from the kinds of judgements being made in the courts. They show every indication of getting way out of hand and we have to respond. We cannot just wait and say that the courts are doing it. We are the lawmakers. The type of situation we are in has reached crisis proportions very quickly. The minister would be showing a great deal of common sense and leadership by moving quickly on this matter.

Having been a politician for some years, I realize that dealing with matters in haste can sometimes create certain political pitfalls, but there is the impact to be considered of this crisis on the people of Ontario–not just the big people but the little people–and the impact it is going to have, for example, on insurance premiums for people with automobiles. People who drive automobiles have different incomes. Everybody does not make the same amount of money and people need their automobiles to travel to and from their work place.

There is a pressing need at this time to move as expeditiously as possible but in a sound and thoughtful way. I urge the minister to move expeditiously on this matter and not get caught in the old syndrome of saying he will establish a committee and then take time to get the committee going.

The Acting Speaker (Mr. Morin): Your time is up.

Mr. Gordon: In that case, I urge the minister to act as quickly as he can.

Mr. Reville: I am delighted to follow my colleagues the members for York South (Mr. Rae) and Port Arthur in speaking in the interests of justice and common sense. I am also delighted to be able to follow my colleague the member for Sudbury, who seems to have noted, at least in the case of municipalities, that the marketplace has failed. Perhaps it is instructive that in Sudbury the deductible the municipality has been required to accept by its insurance agent has increased by 250 per cent. That must be of serious concern to the officials and politicians in that municipality.

4:40 p.m.

We have discussed this matter at some length this week. I hasten to point out to my old friend the Minister of Consumer and Commercial Relations that I do not feel he would willingly put anybody in jeopardy. He is not that kind of person. I do not believe he is responsible for the development of the crisis, but I do believe he

must react much more appropriately to it than by saying we will have a phone line so one can call up and be counselled out of jumping in front of a moving train because of one's problem with getting insurance. That will not do, and the minister is aware of it.

One small example of the kind of dilemma municipal officials are in is illustrated by that of the Metro group. Last year, the five members were able to get a package that included excess coverage up to $100 million for a $400,000 premium with a $50,000 deductible. Although they were unable to get a firm offer from an underwriter, they were talking in terms of $1.5 million in self-insurance and $1 million in excess coverage for $400,000. The increase is very hard to calculate because of the vast increase in the deductible, but it is clearly several thousand per cent.

Although the resources of the major municipalities may be large with respect to their budget lines, I do not think they can willingly accept that kind of increase. It makes one worry a great deal about small municipalities. Town councillors must be sitting around wondering whether they should lock the doors to their arenas in case there is a catastrophic loss. Of course, locking the door to an arena means the citizens of that area are deprived of a service they need. Clearly, that is not in the interests of people in the province.

The crisis, while very grave, is an opportunity for us to think about what it is we are trying to do as a society. It seems to me we are trying to devise a method to protect people from economic insecurity. I suggest, as I did in the House earlier this week, this is a real opportunity for us to go even further than public auto insurance, all the way to a universal program whereby everybody is protected from economic loss and we remove ourselves from the kind of ransom in which we are held by the tort lawyers and insurance companies.

It strikes me there are hundreds of inefficiencies built into the system we have now, which is a kind of crazy-quilt system, and we are reaping the whirlwind at the moment because the marketplace cannot meet the need for coverage, sometimes at any price but certainly not at an affordable one.

One is very concerned, probably not in the case of a municipality but more likely in the case of individuals and small businesses, that they will not have any insurance at all. One worries that the owner of a motor vehicle will not be able to afford the premium for insurance. He will get a renewal notice in the mail with the little pink card attached that says he has insurance, but he will not pay the premium. Then, if a loss is incurred, there is a real problem.

We have not heard too much about the situation of the owners of taverns, but very soon after the election in May, I got a call from a tavern owner in the riding of the Attorney General (Mr. Scott). Because the boundaries are close, he called me. His insurance was increased by 500 per cent and the coverage was lower. It makes one worry that insurance policies might be let lapse and that the victim of an unfortunate accident would have no coverage at all.

It seems to me there is an affordable, sensible, workable alternative. All we have to do is stop worrying about the how and where of disability and concentrate on the fact of disability and how to protect and compensate people for having suffered that disability. There is a lot of opinion that supports such a scheme. Surely we do not have to wait until a crisis develops in another area of insurance, beyond the seven or eight areas we already have, to realize it makes good sense and it is good government to look very seriously at implementing a universal scheme.

The minister has already had the benefit of that advice. I also shared some advice with his seatmate who is not there at the moment, the Minister of Municipal Affairs (Mr. Grandmaître), about some things that might be done immediately with respect to the municipal problem. Clearly, one of the things that ministry should look at is a risk management program for any municipality that does not currently have one. It would not be an expensive program, but it would be efficacious and might reduce the losses currently being sustained.

The emergency debate is appropriate at this time because I believe it is an emergency, but I also believe it is an opportunity to change gears here, very significantly, and to look seriously and quickly at a universal scheme.

Mr. Epp: I am pleased to participate in this important debate. As members have indicated, it is an important subject to the people of this province and this country. It is a problem that is not only localized in this country but is also worldwide. It is a complex problem for which we should not try to find a quick fix.

There are those people who, as soon as they see a problem in society, say automatically: "Let the government take over. Let the government resolve the problem for us by passing legislation and everything will be fine."

We know what happened in society and in this province when the government decided to

resolve a lot of problems quickly by taking over parts of an industry. We know what happened when it tried to buy an oil company and ended up losing almost $1 billion. We know what happened in northern Ontario when it ended up spending $50 million to recapture a $500,000 investment in a company with respect to Minaki Lodge.

We have all kinds of other examples where people have suggested the government should get involved. I am not one of those who feels government is a bottomless pit and can spend a lot of money immediately to resolve a problem.

It is my feeling and that of my colleagues that the minister has dealt with this problem in a very rational and responsible way. He has tried to acquaint himself with this problem. This situation has developed over the past three or four years, and he has been in this position for only the past six months to try to acquaint himself with the problem. He did not know, for instance, that some of the insurance companies would immediately withdraw insurance coverage from some of the areas.

The member for Port Arthur indicated earlier that the minister was a captive of the insurance industry. I am sure that is not the case. He is very cognizant of the interests of the consumers in this province, and I reject totally that he is a captive of anyone except himself. He knows what he wants and has to do; that is, to carry out the responsibilities as he has been asked to do by the Premier (Mr. Peterson) and by the electors of his constituency. He has been asked to serve the people of this province. I am sure that is exactly what he is trying to do.

It has been suggested he is a captive of the ministry. That is totally false. No minister in this government is the captive of any ministry. That may have been the case in the past, although I doubt it; but if it has been, those who suggest that are living in the past and not in the present.

4:50 p.m.

I come from a constituency that is very much concerned with the insurance industry, and particularly the life insurance industry. In the city of Waterloo alone, we have the head offices of six insurance companies as well as a lot of brokers and so forth who make a good living in that industry.

The situation needs a re-evaluation; it needs an examination. To ask a task force to look into the whole problem of insurance over three months shows a real concern for the matter and for trying to come to grips with a very complex issue. Therefore, I take this opportunity to compliment the Minister of Consumer and Commercial Relations on trying to come to grips with a problem that has been there a number of years but has come to the fore in the past few weeks.

Mrs. Marland: I regret having to rise to speak in this emergency debate. Had the minister been fulfilling his responsibilities, this whole subject would not have needed an emergency debate in the House today. It would not have reached the degree of emergency that is before the people of this province today.

In the city of Mississauga yesterday, there was a meeting of its general committee of council, which is made up of all the members of council and the mayor. They were subjected to having an emergency debate because of the situation that faces the city of Mississauga. As a result of the meeting yesterday, they are sending a resolution of the council to the Premier and to the Minister of Consumer and Commercial Relations, along with a whole list of requests they wish to have addressed immediately.

It is pointed out by the people in Mississauga, who are familiar with the involvement of the minister and the Association of Municipalities of Ontario, that the minister knew about this problem in August. At that time, AMO passed a motion asking the provincial government to establish an insurance industry panel to explore immediately and to determine expeditiously what solutions could be applied. That was in August. I cannot emphasize that enough.

Therefore, it is interesting to sit here this afternoon and hear the members of the government stand up and congratulate their minister for his actions today. They are congratulating him on his good judgement, which I find tremendously interesting. It takes a lot of good judgement to wait for perhaps five months to do what? To set up a task force for another further three months.

The implications of the situation today around this province have been well described by some of the previous speakers.

I would like to suggest that this government would do better to commit its time and energy to critically important issues such as this one rather than to the almost flippantly insulting issue of the revocation of Queen's counsel appointments. In terms of this government's responsibility to the people of the province, where on its scale of importance does revocation of Queen's counsel appointments rank versus the subject we are dealing with today?

The implications for all the amateur sports organizations in this province are very grave. I spoke this morning to Bill Moir, who is the

president of the Clarkson-Sheridan Soccer Club. He tells me that because the city of Mississauga has not been able to obtain its comprehensive umbrella liability policy to protect groups such as his, the soccer group has been notified that it will no longer be covered as of January 31. This club is just an example. Like many other groups, it will have to cancel its programs. Currently, it has an indoor winter soccer program; obviously, after the expiration of the insurance policy, that will have to be cancelled if coverage cannot be obtained.

For the interest of all members of the House, but I guess particularly the members of the goverment who may not be aware if they have not faced this aspect of what is being excluded in risks from insurance policies, I wish to point out that the city of Mississauga made its normal submission for insurance coverage this year and the exclusion list includes things such as errors and omissions. That is very interesting because there is not a member of any municipal, provincial or federal government who does not at some time rest with the comfort of knowing that errors-and-omissions insurance exists.

Also, the risk coverage for pollution has been eliminated from the coverage for Mississauga and associated and affiliated groups. They are all volunteer community groups on which this province is built and on which it thrives with respect to the recreational activities which are the most important aspect to the survival of the good health of the people of Ontario. People work, but they must also recreate. If we have the volunteers in those community groups at risk because there is no liability insurance for them in any of their activities, then who is going to be responsible for any kind of involvement with either young people or adults in programs where the liability might fall back on those volunteers themselves?

I say to the other member for the city, the member for Mississauga North (Mr. Offer), who is sitting on the government side of the House, he should think about the fact that many festivals would have to be cancelled which have become an inherent part of life in that city, such as arts and cultural events and parades, including the Santa Claus parade. All those things individually do not sound terribly important, but if we put them all together and realize the impact they will have on society throughout our province, there are very grave implications.

I listened with great interest to the member for Scarborough East (Mr. Fulton). He stood up a few moments ago and said he does not hear any solutions being proposed from this side of the House. He congratulated his minister for the things the minister announced today, which incidentally were announced today only because of the pressure brought to bear on him by this party. With great respect, I most humbly suggest the solutions are not the responsibility of the opposition parties in this House; they are the responsibility of the government of the day, and the member for Scarborough East is a member of that government.

5 p.m.

Since the member is not sure about solutions, I will give him one. The simplest solution, and a no-cost one, would be that the government instruct the superintendent of insurance, who has the authority, to call the government and the industry to the table immediately to work out a solution to this problem. The government must act now, not wait a further three months until after the task force reports. The crisis is not three months hence; the crisis is today.

Mr. Hayes: Many of the previous speakers spoke about the Ontario motorists, businesses, hospitals and municipalities. I, as the critic for Transportation and Communications for our party, will touch on the specific industry of transportation and how this drastic increase in insurance is affecting it.

I have some specific cases I want the minister to be aware of. Unlike the Minister of Transportation and Communications (Mr. Fulton), I have also met with the Ontario Trucking Association, the Ontario Motor Coach Association and individual transportation firms. I will just note some of the comments by various businesses made by phone, by letter and also during a meeting.

One particular business has 30 vehicles–highway coaches, school buses and vans. Last year its insurance premium was $30,000; when it renewed in May, it went up to $100,000. Here is a company which has taken three highway coaches off the road because of the cost of insurance.

Here is another one in my riding, a family business in operation for more than 36 years. It operates approximately 25 heavy trucks. Its insurance went up by 30 per cent last year. When it tried to insure this year, it could find only three carriers in Ontario who would insure a whole fleet. One of those insurers would insure the fleet only if it could also insure all its property and assets. I call that blackmail by some of these insurance companies. This is a corporation, operating for more than 36 years, which may go

out of business as a result of the high increase in insurance.

Here is another one. The company has 67 school buses, highway coaches and cars. Last year it paid $5,300 per month for insurance; at the end of September, it received notice that its insurance would go up to $16,000 a month. It is paying at the moment but it feels it may not be able to continue to pay and will have to go out of business.

Here is another one. It operates 190 vehicles–school buses, coaches, cars and trucks. The insurance premium on November 1, 1984, was $232,000 a year; on November 1, 1985, it was $606,000.

One of the problems we are not looking at is that a lot of the trucks and buses are going to be taken off the road because the operators cannot afford the insurance. We are always talking about jobs. Jobs are always seen to be an issue. They are an issue, especially for the New Democratic Party–creating jobs and saving the jobs we do have. When these vehicles are taken off the road, it will be not only jobs we are losing, it will also be necessary service, another concern.

I want to be brief. I am hoping the minister has also been contacted with similar kinds of circumstances to the ones I have brought up here today. If what is happening in just this one sector is not justification for this province to bring in public insurance, I do not know what is.

Mr. Offer: I am pleased to join in this debate with respect to concerns revolving around the insurance industry. I would respectfully suggest it is absolutely necessary to recognize two initial and essential points.

1. The insurance industry has been a significant part of our society throughout history. It has been significant not only economically, significant to investment for a myriad of financial services, but also in a more social sense. By that I mean a sense of assurance, the security the fact of insurance gives many, is not only a sense of business protection but also of a personal nature. We must ask whether the significant role the insurance industry has played historically shall remain at the level it has.

2. It is necessary to recognize the insurance industry is closely and inextricably bound up with the international community. Not to admit and recognize that the concerns of today are running throughout many countries is to do a disservice to this debate. We must recognize these concerns are not unique to Ontario.

According to an English reinsurance underwriter and broker, reinsurance capacity is shrinking by up to 40 per cent for aviation casualty programs and 10 to 30 per cent for property programs because of the difficulty London reinsurers are having finding retrocessional coverage.

In the United States, leaders of that nation's urban bus systems say they are having growing difficulty obtaining affordable liability insurance. As a result, some systems may have to shut down and others will be forced by huge rate increases to reduce services, raise fees or operate without insurance.

In Boston, a broad range of businesses and professions, many municipalities and some states are having trouble buying the liability policies that are vital to the stability of their operations and financial wellbeing.

It is indicated that in Illinois a growing number of time-honoured recreational institutions, roller rinks, bowling alleys, amusement parks and go-kart tracks, have become victims of a very modern business problem: They cannot buy insurance and in some cases they do not have the option of operating without it.

I do not mean to say we should be any less concerned due to the mere fact this is an issue of scope which transgresses not only the borders of Ontario but also of Canada, but I do mean to say we should not be blind to this worldwide problem.

5:10 p.m.

I suggest the questions emanating from this topic of insurance seem to devolve into two major categories, affordability and availability. With respect to the aspect of affordability, certain factors seem to be evident:

(a) We are experiencing the fallout of the excessive price competition of the early 1980s. This does not mean price competition is negative. However, when the competition is excessive, we must recognize that certain correcting forces will eventually take hold. That does not mean one must accept the result, but it does mean that to ignore this fact is to blind oneself to the cause of so many concerns.

(b) Recognition of the effects of low interest rates and the prospect of the continuation of those interest rates at such levels: We must recognize that the prevailing rate of interest throughout the marketplace affects the return on investment accruing to insurance companies, culminating in an impact on premiums. This does not mean that lower interest rates are negative, but it does mean

that to blind ourselves to this factor is to do a disservice to those concerned.

(c) There is the emergence not only of higher claims and court settlements, but also an increase in persons available to make such claims.

Pertaining to the availability of insurance, it is interesting to note that implied in that phrase is the availability of traditional forms of insurance obtained through traditional means. We cannot ignore the fact that many affected groups are establishing reciprocal insurance agreements meeting the need. For instance, this is an evolving situation. As the members know, many municipalities are in the process or are exploring the possibility of setting up their own reciprocal insurance exchanges; essentially a form of mutual self-insurance. Maybe it is not the traditional form, but it is done in a way they feel is necessary at this time.

The member for Mississauga South (Mrs. Marland) alluded to me in her speech. It is interesting to note that if she were concerned about what is happening in that fair city, she would have noted that the soccer association, with six soccer clubs throughout Mississauga, is currently obtaining insurance to maintain its season this year. As late as this afternoon, it has been in contact with a number of insurance agents and has received information that insurance is available. However, to be fair, that insurance may carry a rate that may prove to be excessive. That is not to say they are not expressing the need and endeavouring to find a method to maintain that season.

Mrs. Marland: We have spoken to the same people, but I have spoken to them since the member spoke to them.

Mr. Offer: I would like to indicate to the member for Mississauga South that I had a telephone discussion with one of the presidents not more than 12 minutes ago.

The Minister of Consumer and Commercial Relations and this government are sensitive to the concerns of those affected and are aware of the causes. I am encouraged by the action of the minister in attempting not only to meet head-on the causes of this international problem but also to provide immediate access to the public through the creation, as we now know, of a special information telephone-line service through the office of the superintendent of insurance to provide information and advice expeditiously and effectively to business and nonprofit organizations that are experiencing difficulty in obtaining such liability insurance.

I compliment the minister in approaching directly the concerns of those affected, in coming to grips with this worldwide problem in a sensitive, forthright, and sensible manner.

Mr. Barlow: I am very pleased to join in this debate and add a few comments on the concerns that have been expressed to me in very recent days and weeks. I would like to bring to the attention of the House some of the feelings of constituents and of the Ontario business community at this time as escalating insurance becomes an increasing concern to them.

Small businesses, restaurants, various tourists attractions, trucking companies, all these institutions and businesses, as well as public schools, separate schools, municipalities and so forth, are having the very same problem because of escalating, skyrocketing insurance.

As I mentioned in the prelude to my question to the minister this afternoon, the main item on the agenda of the Attractions Ontario meeting being held today is that of insurance. This underscores the importance and urgency of the situation when the threat is such that operations throughout Ontario are forced to close. At the very least, it is going to mean a substantial amount being added to the price of admission for many of these attractions.

Despite excellent management practices and, in most cases, very low claim ratios, small businesses throughout the province are suddenly finding themselves smacked with unreasonably high insurance premiums, if they can get insurance at all. There is little choice. They must either pass on the added expense to their customers and risk losing their business or perhaps even pack in the business, resulting in a loss of jobs in the province.

In this day and age, people simply cannot operate without insurance. To try to operate without insurance might mean not only the end of their business if someone were to be hurt and the company sued, but also the end of their own and their family's personal resources and security. Insurance was designed to offer protection to businesses and to assure the owners they would not face ruination because of some accident or unforeseen incident, but it has become such a monster that it could now destroy those very businesses.

We have had several speakers on all sides of the House speaking sincerely on this very matter with equal concern. Our friends on the left have proposed their usual solution; that is, to nationalize the insurance business.

Mr. Breaugh: That was the member for Mississauga East.

Mr. Barlow: Was it? No. I was sitting right behind him. He never got to that point at all.

The speakers for the government across the way have been defending the minister. Generally speaking, the minister has been doing a very good job on most subjects, but I think he has been a little bit asleep at the switch on this one.

Interjections.

Mr. Barlow: The members on my left have to defend him; we do not.

The previous speaker, the member for Mississauga North, was telling us it is a worldwide situation. So what? It may very well be. We are concerned about what is going on in Ontario right here and now.

In the minister's statement this afternoon, I was pleased to see he has been talking to the farm mutuals about extending their jurisdiction so they may also participate in the general insurance market. I was talking to one of the officials of a company in the Cambridge area and he told me this has been under discussion with the minister. Perhaps it will broaden the competition without the government getting into the act.

5:20 p.m.

I hope the task force will address what seem to be some of the main concerns. From what I hear and read in the press, some of the court settlements seem to be at the root of this whole thing, not only here in this jurisdiction but also in the United States and elsewhere. The prime example that everybody is pointing out nowadays is the Brampton case, in which a judge awarded a $6.3-million settlement, or whatever it was, for an injury on a dirt-bike trail. I hope there is some way the minister can consult with the Attorney General and look at this one problem. It is serious.

I would like to get back to the business community. That is now my area of responsibility within this party as the small business critic. I have talked to businesses in many different industries in the past few days.

I do not see any of the members from the Kitchener-Waterloo area here at the present time, but just today I spoke to the owner of the Charcoal Steak House, quite a famous steak house in our area. It happens to be in the riding of Kitchener. The liability insurance on the restaurant has gone from $1,300 last year to $6,500 this year. The president of the company says it is a big organization and it can handle it, but if a smaller organization had similar increases, it could very well be detrimental to that business. That is a 400 per cent increase. The mind boggles at those kinds of dollars and percentages of increase.

I was talking with the owner of a local rental place that rents tools, has propane outlets, lawnmowers, lawn rollers and snowblowers for this time of year. He recently renewed his fire and theft insurance. There was no problem. There was a small, reasonable increase, and the owner was willing to accept that.

However, when it came to liability insurance, he could not get it. Actually, he can get it in that he has a binder–I think this is a term that is used in the industry–carrying him through until the end of January. Beyond that, he just does not know what he is going to do. The owner tells me the claims have been minimal. He has had a few minor claims over the years, nothing that he probably would not normally have handled out of his own pocket if he did not have the insurance.

Pioneer Sports World, just north of Highway 401 on Highway 8, has a huge water slide. This is the point I was trying to bring out in my supplementary. Last year it had $1 million in insurance, and that cost $3,200. This year all it could get was $500,000 worth, half the insurance coverage, for $16,500. From $3,200 to $16,500 is an increase of 415 per cent. However, when one has only half the coverage, then doubles the 415 per cent, maybe it is an increase of 830 per cent. It is an awful increase, anyway. This is just for 1985. They do not know whether they are going to have any coverage for 1986.

Mr. Grande: What does the member think should be done?

Mr. Barlow: It has to be done by the government, and quickly: Consult with the insurance industry and get it on side.

The other solution I suggested was to look at the court settlements and talk to the officials in the Attorney General's office to find some way of decreasing them. That is where the problem lies. Nationalizing everything is not going to prove a thing, and the member for Oakwood (Mr. Grande) knows it. However, it is the theme those guys like to run on.

There are a couple of other examples I would like point out. One is African Lion Safari. It is a great tourist attraction. It was very fortunate to be able to get insurance coverage at all. Incidentally, the carrier they normally deal with sent them a bill, and they sent the cheque in to pay the insurance. The cheque was returned uncashed with the response: "We cannot afford to insure you for that price. You are now going to pay 525

per cent more." If they wanted insurance at all, they had to carry it at that price.

I heard on the radio as I was travelling along the highway on Tuesday afternoon that a local Ontario bus company was paying $5,500 per month for its insurance; then it was increased to $17,000 per month. That is more than triple, and it is only until the end of March. The company is not sure whether it is going to be able to get insurance at the end of March.

The list goes on and on in all sectors. The trucking industry is very near and dear to my heart. I am not going to cite the examples there; they have all been cited today. It is something very serious and it is the minister's responsibility to meet with these people and help them solve their problems.

Mr. Mackenzie: The current crisis we have in the availability of insurance, whether for municipalities or individuals in auto insurance costs, affords us a rare opportunity to look once again at an alternative that many members of this House do not accept. I refer, without question, to public insurance.

It gives us an opportunity to take a look at it to see whether it is a viable option. An awful lot of people in Ontario who might not have been willing to consider it a very short time ago would be willing to consider it today. If the industry is hurting as badly as it tells us it is hurting—and a lot of it is based on projections or worry, largely as a result of the Brampton judgement—it should be happy to let us take a serious look at the option of public auto insurance.

We have to take a look at the motivation for public ownership and find out whether it makes sense. A major principle in public ownership is the social necessity of compulsory minimum insurance. If private insurance is allowed to market compulsory basic coverage, then the motorists, as well as others in other fields of insurance, are forced to contribute to the profit of the companies. It seems inappropriate for motorists and municipalities to be forced to contribute to the profit of a private company in a matter of social necessity. Is this issue a matter of social necessity? I submit it is.

With the establishment of a compulsory market, it also seems inappropriate that insurance should be provided at anything other than the lowest possible cost to consumers. A government insurance enterprise, particularly in the automobile area, is expected to produce economies of scale in administration and delivery costs that will permit operation at lower premium rates than other systems.

Furthermore, the principle of compulsory insurance requires that coverage be readily available to all consumers, to all motorists, on an equitable basis. If conditions in the private market for insurance restrict the availability of coverage at a reasonable cost to certain people, then the principle of universal coverage may have to be met through public intervention.

Aside from the question of how to market best and administer compulsory insurance, a number of further socio-political aims contribute to the motivation for public ownership. For example, public ownership is suggested as a means to ensure the insurance carrier, because of the high political profile and head-office presence in a province, will be more sensitive to the needs and the interests of the consumers in that province.

There is also an opportunity for that province to utilize surplus funds in the interests of the people of Ontario. That opportunity does not necessarily always exist when pools operate that are available only to the insurance companies.

We have a problem. I am sure most of the members are getting the calls I am getting from people who have seen increases in their insurance. If I can, I would like to use one example that came to my attention only three days ago. This example involves a new staff member of mine, working with me both here in Toronto and in my constituency office.

5:30 p.m.

This young woman drives what she is able to afford—a 1970 Firebird, which is in rather good condition for a 1970 car that has seen a lot of miles. It is a two-door, eight-cylinder car. She has liability coverage in Ontario right now of $1 million, but absolutely no deductible or collision coverage. She has been paying $187 for six months or $374 for a year. She got a notice exactly three days ago that her insurance will now be $355 for six months or $710 for a year. She is a driver over the age of 25, has had no accidents and makes limited use of the car. She does not use it for driving to work to Toronto. She takes the bus or the GO train when she has to come to Toronto.

I had a difficult time accepting that kind of jump and I told her to do some checking for me. We called the Manitoba Public Insurance Corp. I was interested in the minister's comments about there being double the danger in Ontario. I do not know what the difference is between Winnipeg and Hamilton, but I suspect that doubling would be high.

We found that if she lived in Winnipeg and had the same 1970 Firebird, for $1 million worth of

liability plus $200 deductible, which she does not have here for her current increased cost of $710, it would cost her $145 per year. That was quoted to us at noon today by the public insurance office in Winnipeg, Manitoba. For $1 million liability and $200 deductible on a 1970, 2-door, eight-cylinder Firebird with limited use and used only for pleasure, it costs $145 in Winnipeg and $710 in Hamilton with the increase that has just gone through. If I accept the minister's figures that there is a doubling of the risk, and I suspect that between Winnipeg and Hamilton it is nowhere near that, somebody is being ripped off with that increase.

Calls are coming in about the auto insurance industry. Obviously, there is concern with respect to municipalities, school boards, etc. This is why I read a little about the reasons for the occasional motivation to take a look at the whole public auto insurance field. We are making a mistake if we do not take this opportunity to have a serious look at public automobile insurance as the best and cheapest way to have coverage and to keep control of and use of those dollars in our own hands. I hope we in this House are willing to investigate that direction.

Mr. J. M. Johnson: I would like to make a few comments in this emergency debate pertaining to the availability of liability insurance. I would like to make reference to my leader's comments earlier this afternoon in his first question to the Minister of Consumer and Commercial Relations pertaining to the Wellington County Board of Education and the necessity for the board to close its gymnasiums.

Wellington county just went through an 11-week teachers' strike with 51 lost school days. People were just back in school on Monday; then on Thursday the gyms were closed. It is most frustrating and aggravating. Parents and students are appalled that this has had to happen.

While I certainly cannot blame the minister for being responsible for this situation, it has been pointed out by my leader and members of our party that it is a situation that was going to come about at some school at some point, and it has happened in my county of Wellington. I received calls today from parents who wonder what in the world is happening to Wellington county and the education system. After so many weeks of sitting and waiting by the students for the schools to open, the schools open and then the gyms are closed because the school board cannot afford or cannot buy insurance.

I understand that insurance is available, but if it is not affordable, is it really available? That is a question the board will have to make, as the minister indicated, but it also creates a real dilemma for them because they operate with government funds. If there is nothing he as the minister can do, or the government can do to help them in their need to obtain that necessary insurance, then it should be looking at some way of being able to help finance them with their increased costs.

I was talking to one of my township clerks yesterday in a small township called Arthur. Only about 2,000 people live in it. They have a sanitary landfill site that serves neighbouring municipalities such as Mount Forest, the village of Arthur and the township of West Luther.

They have operated the site for many years. As a matter of fact, when I was on the local council some 12 or 15 years ago, I was instrumental in being partially responsible for setting up the site. There was absolutely no problem until last year when, through the underwriters, Frank Cowan, the pollution liability insurance annual premium was $800. This year the company has refused to reinsure at any price. The council was able to contact a firm in Toronto. It has not been able to set the policy in place yet, but it is my understanding it was quoted a premium of between $25,000 and $30,000. It went from $800 to $30,000 for the same amount of insurance.

My good friend and colleague the member for Elgin (Mr. McNeil) helped me work out the increase and the percentage. It came to 3,500 per cent, give or take a few points, which is a fairly dramatic increase. That will impact on the four municipalities I mentioned. While the amount does not appear to be all that much, the percentage increase is tremendous.

I also discussed the problem with the municipality of Shelburne. It had a substantial increase, which amounted to about 80 per cent on its municipal insurance. I thought I had the figures here. I apparently have misplaced them, but it was in the vicinity of an 80 per cent increase. The town of Caledon had a substantial increase last year that amounted to about 50 per cent or 60 per cent. It has not been quoted its figure for this coming year, but it feels it will be in a similar proportion.

This has to impact drastically on the budgets of any of these municipalities faced with these costs.

I noticed on the information sheet that in the case of the Hospital for Sick Children, where I

had occasion to bring my granddaughter within the last year, its insurance last year was $300,000, but this year it will be $1.1 million, or an increase of 267 per cent.

There is no point in going over the many increases because they have been well stated today. The minister is certainly aware of them. However, as a member of this Legislature, I would like to implore him to use his good offices in whatever way possible to see whether something can be done by his ministry and the government to alleviate the problems these municipalities, boards and hospitals are having with this dramatic increase in liability insurance.

5:40 p.m.

I understand there are some real horror stories in the education field in Toronto. I have heard stories of boards being able to comply with the Education Act through mechanisms I would not consider totally ethical. It is my understanding that some boards are obtaining $1 million worth of insurance, with certain stipulations, which does not give them very much coverage. I understand they have to accept a very nominal amount. They are paying for something they are not receiving, simply to comply with the Education Act. This is a situation we should check into.

I would like to close by suggesting that we in this assembly do have a responsibility to protect our citizens through the boards and municipalities and to do what we can to see whether there is some way we can alleviate the very serious concerns that have triggered off this emergency debate today.

Mr. Breaugh: I want to participate for a little while this afternoon. I think this is a classic situation. My mother used to call this kind of activity "dithering," which is an old-fashioned word. It means one knows there is a problem and it upsets one a little bit but one is not prepared to do anything about it.

It seems that is pretty close to the mark as to what the ministry has been doing in response to a crisis that a whole lot of people knew about. They have known about it since the landmark case last year. All through the spring, summer and fall, the municipalities, their officials and people who work for boards of health, boards of education, virtually all public agencies, knew there was going to be a real crisis at some point in attempting to get liability insurance.

I am sure we could write off a new government and a new minister by saying they have not had the chance to explore the issue fully over the years. However, we cannot excuse the officials of the ministry who have been aware and who have been participants at all the meetings, seminars and formal conventions. They have been observers and participants in discussions around what everyone knew would be a real crisis in attempting to get liability insurance. In all that time, nothing has happened.

I watched the minister today try to explain we could have a task force, we could explore, we could look at a lot of possibilities. I hate to be the one to break the news to him that the exploration process has gone on in Ontario for almost a full year, probably by the same people who are going to do the task force work. This Legislature has had a select committee on company law looking at all these problems for the better part of a decade. There is not a rock out there that has not been overturned. There is not one thought that has not been explored. This is not new ground; this is very old ground.

In terms of a response from hospitals, for example, most members who have been to a dinner, a business meeting or a social function where somebody from a hospital board was present have had their ears filled with the problems about getting insurance. Everyone knew this difficulty was not a long way away on the horizon, but was reality.

The cruel part is that today the curriculum in schools is being set by insurance companies. That is insane. How that was allowed to happen is a classic story of how governments can foul up things by not taking any action, and by not taking any action, cause major problems.

I have listened to the debate in question period over the past few days where discussions are going on about whether it is feasible for a school board to self-insure. The obvious answer is that a large school board with a large budget in theory could self-insure, but a smaller school board does not even have the theoretical whim to do that; it would be distorting the truth immensely to say it could be self-insured.

The obvious answers are the ones that have been talked about by the Association of Municipalities of Ontario, by all the municipal organizations, by the school boards and by the hospitals. It is probably quite practical to say they could pool their funds and self-insure on a larger scale. They have been talking about how to do that for some time.

It is not an outrageous notion to suggest that all these public agencies could pay their premiums into a central fund, which might be able to provide some kind of self-insurance. That is not a wild, hare-brained scheme by a long shot. It has

been talked about by some very right-wing administrative people who see that as a very practical solution to a problem they knew was coming on. The tragedy is that this was not done during the summer and fall discussion period. If it had been, the government could have moved very smoothly from a period where they were covered previously by private insurance plans to one where they now are going to be covered by some publicly administered insurance plan.

It is not a difficult concept. It is certainly not a new concept. It is not an outrageous concept at all; it is one that would have been immensely practical. For example, if all these agencies were to pay into a central fund the same amount of money they paid last year for liability insurance, we would have something that is close to the mark of being a self-insurance scheme, a pooled scheme, or whatever name one wanted to put on it. It is not that complicated, and it does not require a task force. All these administrators have talked about this concept over the summer and fall; the tragedy is that no action was taken.

There is another part of it that deserves a little mention here. We generally assume outfits such as insurance companies are very wise indeed; so it is quite amazing why they chose to escalate their rates so sharply at a time in the history of Canada when public automobile insurance, as an example, has rates that are declining. One can say they have actuarial tables and experiences and all that, but we all know that is baloney.

One would have to be pretty dumb to say that in places such as Winnipeg, the traffic conditions, the driving conditions or the conditions of the drivers, the vehicles or anything else are substantially different from what they are here in Metropolitan Toronto. They are not, and we all know that.

We all know also that at a time when publicly operated automobile insurance schemes are able to take their rates down, the free market, so to speak–the private sector–ought to be able at least to compete with those publicly funded auto schemes. They can, but they choose not to.

In my book, whether or not one is an advocate of public automobile insurance, as the member for Mississauga East seemed to be this afternoon, one has to put on the record that this government is going to have to respond to the interesting question, "Why are these rates skyrocketing in Ontario and going down, or at least staying steady, in Manitoba and Saskatchewan and even among the Socreds in British Columbia?"

It cannot be a right-wing/left-wing concept. If the Socreds in BC can live with public auto insurance, this government can too. This government cannot possibly be more right-wing than that government in BC. Can it? I do not believe it is ideologically possible. The government would have to go through some contortions here to say it is prepared to be more to the right than Bill Bennett and his group. I do not think that is possible.

I believe members of this government are going to sit down and dither some more, and that is a shame. If they are practising politicians in Ontario, as I have been, they must have been to a dinner with somebody from a hospital board who bent their ear about the hospitals' premiums and what they are going to have to pay for liability insurance. They must have had, at some time in the past eight months, some contact with a municipal councillor who told them the exact same thing. They must have stumbled across a trustee or two somewhere.

The members of this government cannot be defending the concept that, as of today, an insurance company decides what will happen in Wellington county schools. That is indefensible. What the government is doing is slowly but surely backing itself into a corner, and it will have to respond much more quickly than what I heard the minister say today. The government cannot fumble around much longer. Enough people have met on the matter and offered advice and practical alternatives that the government cannot pretend they are not there sitting on its plate.

It is a time when the government cannot fake it any more. The government cannot pretend we need another decade of a select committee on company law. It cannot pretend we need another task force of the same people who discussed it for the better part of a year. The government does have to make some kind of decision.

I am going to predict that the very same minister who announced today, "We want to talk about it some more," is going to come back in here very shortly and make some kind of decision. I hope he does that sooner rather than later, because I believe it is a tragedy that all our hospitals, school boards and municipalities are being held to ransom by the insurance companies. It is to their everlasting shame and discredit that they chose to do it that way, and it is to the minister's shame and discredit that he did not take some action during the fall to ward off this ridiculous situation.

5:50 p.m.

Hon. Mr. Kwinter: I would like to start by saying how pleased I am by the participation in

this debate. I can tell members that the attitude, the mood and the concern that have been expressed in the debate are a far cry from the political rhetoric that has been going on during question period. Without exception, members have made what I think are very useful contributions, and I am delighted to hear these things.

I would like to address various points that were made. One thing that should be taken into account is that we are starting to talk about apples and oranges, for my friends in the third party, in that auto insurance is one problem and liability insurance in the broad spectrum we are dealing with is another.

Mr. Breaugh: We know that.

Hon. Mr. Kwinter: We agree with that. I am saying that the philosophical-political bent as to whether government should be in the insurance business is a basic decision that has to be made, and it is not a decision I am addressing in this emergency debate. It is something this task force will look at. If it recommends that and if it says that is the solution, I can assure members that my colleagues and I will look at it and address it.

However, I do not think it is something we should address in this emergency debate, and although I welcome the members' comments and think a lot of the comments have a lot of merit, there are some other areas where it is not quite the same. When we look at the public insurance schemes in other provinces, we do not know to what extent they are being subsidized by the government because of the philosophical decisions they have made and whether they are backing them up with dollars.

Mr. Foulds: Manitoba's is not subsidized.

Mr. Breaugh: The minister is classing us with Bennett? Come on.

Hon. Mr. Kwinter: I am saying I would like to separate that out and restrict my comments to the subject of general liability insurance and the lack thereof at an affordable rate.

I know some members deride the fact that we talk about a worldwide situation, but one cannot deal with the insurance industry unless one deals with it on a worldwide basis. Insurance is a basic matter of economics that is considered to be one of the four pillars; we have securities, banking, loan and trust companies and the insurance industry. It is a matter of economics, and there is no way we can legislate companies to lose money.

I admit that insurance companies make money; they make a great deal of money. However, they make it in very selected areas. Unfortunately, the areas they are selecting are not in the liability field. Last year alone, six companies went bankrupt in this country. We have a situation in which my cabinet colleagues and I approved yesterday an insurance compensation fund to protect consumers to a level of $200,000, because with the Northumberland General Insurance Co. failure, we had people who were caught and had a loss they could not get compensated for. They are out not only their premiums but also the compensation for their loss. We have addressed that, and we hope it will bring some stability to that portion of the market.

A couple of other things were mentioned. My friends in the official opposition stated they had a committee in effect, asked why it had been disbanded and was not functioning and said it had the potential to resolve all these problems. I stated in question period that I had no idea what the committee was because I had not heard of it.

Upon inquiring since then, I have found that the deputy minister does not know of such a committee and that no one else seems to know of it. The superintendent of insurance said, "Yes, I think there was a committee formed by Dr. Elgie whose sole mandate was to see whether the $200,000 minimum limit of public liability should be increased to $300,000." That was its sole mandate. It met once and never met again. It certainly was not a committee that was struck to look into the wide-ranging area of insurance.

We identified some time ago that there was a potential problem in the insurance industry. It is a potential problem. When we identified this, we apprised all our constituent jurisdictions that would be affected–municipalities, school boards, hospitals, all these people–that there was beginning to be a crunch in the liability market and that they had better be prepared for it and make suitable accommodation.

Some members opposite felt we should have solved the problem. The only way that problem could have been solved would have been for us to say: "We are going into the liability insurance business for everybody. Anybody who wants to get liability insurance, come to see your friendly provincial government and we will cover you." With respect, there is not enough money in this province to do that. This crunch is not unique to Ontario. We do not have any capacity in the market. That means there are not enough people in the reinsurance business who are prepared to put money into this market.

All one has to do is look at it from a very practical point of view. I am sure all the members are quite practical. If a municipality goes to an

insurance broker and says, "I would like to place some insurance, and I am prepared to pay you a premium of $500,000 or $1 million," the broker calculates immediately: "I work on a percentage, on a commission. That will be worth $50,000 or $75,000"–or whatever rate one is working on–"so I am going to grab this business." If members think there is an insurance broker who is happy about going back to his client and saying, "I cannot place this insurance for you because nobody will take it," I can tell them brokers are not exactly thrilled with that prospect.

Like it or not, we are the victim of what is happening worldwide. When there is a Bhopal, it affects Ontario. It is unfortunate, but it does. It affects the insurance market because there is only so much money out there. In Canada, we do not have a home-grown reinsurance market. It is unfortunate, and it is one of the things we hope to address with our task force. We are hoping to set up a Canadian exchange so we can put together a major pool that will be made in Canada for Canada and will allow us to bring some stability to the market.

At present, most of the money coming into Canada for reinsurance comes from offshore. If that money does not come, then one's friendly neighbourhood broker cannot place the business. If he cannot place the business, he says: "I am sorry. I would love to do business with you, but I do not have anybody who will take it." There is no way we can legislate to say, "You must take that business because, whether or not you lose money, you have an obligation to do it." It is not an easy solution.

We have to get to the position–and I am delighted to hear the comments of some of the members in the debate–where we can take some of these premiums, put them into a pool and try to bring some stability.

Let me give an example of what happened in New York and tell members how this can work. We talk about a crisis; it is a crisis everywhere. A study by the New York Department of Transportation showed that in the 12 months ended August 1, 1985, coach lines in the state had paid $6.6 million in premiums while insurers paid out only $800,000 in claims and became liable for only $3.5 million in lawsuits. They paid out $800,000, and they had contingent liabilities that might happen, depending on the results of the court cases, to be a maximum of $3.5 million, but the coach lines paid out $6.6 million.

In another case, a group of 321 school bus operators paid out $7.7 million in premiums for insurance in a comparable 12-month period and their insurer paid out only $2.5 million.

There has been a very big spread. We are looking at various municipalities now and saying: "Let us take a look at your claim record. If there is a great disparity, we can pool that money. Let us see"–

The Deputy Speaker: Order. Time has expired.

BUSINESS OF THE HOUSE

Mr. McGuigan: In the absence of the House leader, I would like to indicate the business of the House for the remainder of this week and next.

Tonight there will be second reading and committee of the whole House, if required, on Bill 11, the Change of Name Act; Bill 12, the Children's Law Reform Amendment Act, and Bill 13, the Vital Statistics Amendment Act.

Tomorrow, Friday, January 10, there will be the estimates of the Ministry of Northern Development and Mines.

On Monday, January 13, we will have second reading of Bill 54, the Ontario Drug Benefit Act, and Bill 55, the Prescription Drug Cost Regulation Act. If time permits and if required, we will consider legislation of the Attorney General (Mr. Scott) not completed tonight. Any votes necessary will be stacked to 10:15 p.m.

On Tuesday, January 14, afternoon and evening, we will have second reading and committee of the whole House, if needed, and committee of the whole of Bill 1, the Family Law Act; Bill 95, the Science North Act, and Bill 97, the Amusement Devices Act. If time permits, there will be second reading of Bill 94 on extra billing, Bill 65 on first contracts and Bill 34 on freedom of information.

On Wednesday, the usual three committees may sit.

On Thursday, January 16, in the afternoon, we will have private members' public business standing in the names of the member for Scarborough Centre (Mr. Davis) and the member for Dovercourt (Mr. Lupusella). In the evening, we will have debate on the report of the standing committee on resources development concerning the Workers' Compensation Board.

On Friday, January 17, we will continue legislation not completed on Tuesday.

The House recessed at 6:02 p.m.

CONTENTS

Thursday, January 9, 1986

Statement by the ministry

Kwinter, Hon. M., Minister of Consumer and Commercial Relations:
Insurance rates 2865

Oral questions

Bradley, Hon. J. J., Minister of the Environment:
Water quality, Mrs. Grier, Ms. Fish 2876

Kwinter, Hon. M., Minister of Consumer and Commercial Relations:
Insurance rates, Mr. Grossman, Mr. Rae, Mr. Ferraro, Mr. Foulds, Mr. Brandt 2867
Insurance rates, Mr. Runciman 2874
Insurance rates, Mr. Barlow 2875
Insurance rates, Mr. Gregory 2877

Peterson, Hon. D. R., Premier and President of the Council and Minister of Intergovernmental Affairs:
Northern development, Mr. Pouliot 2874

Scott, Hon. I. G., Attorney General:
Equal pay for work of equal value, Ms. Gigantes 2874

Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development:
Futures program, Mr. Warner 2877

Petitions

Roman Catholic secondary schools, Mr. Wildman, Mr. Pierce, Mr. Pouliot, Mr. Philip, tabled 2877

Reports

Standing committee on regulations and private bills, Mr. Callahan, agreed to 2878
Standing committee on procedural affairs and agencies, boards and commissions, Mr. Breaugh, adjourned 2878

Motions

Committee substitutions, Mr. Nixon, agreed to 2878
Committee sitting, Mr. Nixon, agreed to 2879
Referral of Bill 1, Mr. Nixon, agreed to 2879

First reading

Foreign Arbitral Awards Act, Bill 98, Mr. Scott, agreed to 2879

Private member's motion

Motion to set aside ordinary business, Mr. Timbrell, Mr. Nixon, agreed to 2879
Insurance rates, Mr. Brandt, Mr. Rae, Mr. Conway, Mr. Runciman, Mr. Foulds, Mr. Fulton, Mr. Gordon, Mr. Reville, Mr. Epp, Mrs. Marland, Mr. Hayes, Mr. Offer, Mr. Barlow, Mr. Mackenzie, Mr. J. M. Johnson, Mr. Breaugh, Mr. Kwinter 2879

Other business

Visitor, Mr. Speaker 2865
Recess of House, Mr. Timbrell, Mr. Nixon, Mr. Speaker 2865
Visitor, Mr. Nixon 2878
Business of the House, Mr. McGuigan 2901
Recess 2901

SPEAKERS IN THIS ISSUE

Barlow, W. W. (Cambridge PC)
Bernier, L. (Kenora PC)
Bradley, Hon. J. J., Minister of the Environment (St. Catharines L)
Brandt, A. S. (Sarnia PC)
Breaugh, M. J. (Oshawa NDP)
Conway, Hon. S. G., Minister of Education (Renfrew North L)
Davis, W. C. (Scarborough Centre PC)
Edighoffer, Hon. H. A., Speaker (Perth L)
Epp, H. A. (Waterloo North L)
Ferraro, R. E. (Wellington South L)
Fish, S. A. (St. George PC)
Foulds, J. F. (Port Arthur NDP)
Fulton, Hon. E., Minister of Transportation and Communications (Scarborough East L)
Gigantes, E. (Ottawa Centre NDP)
Gordon, J. K. (Sudbury PC)
Grande, T. (Oakwood NDP)
Gregory, M. E. C. (Mississauga East PC)
Grier, R. A. (Lakeshore NDP)
Grossman, L. S. (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Hayes, P. (Essex North NDP)
Johnson, J. M. (Wellington-Dufferin-Peel PC)
Kwinter, Hon. M., Minister of Consumer and Commercial Relations (Wilson Heights L)
Mackenzie, R. W. (Hamilton East NDP)
Marland, M. (Mississauga South PC)
McClellan, R. A. (Bellwoods NDP)
McGuigan, J. F. (Kent-Elgin L)
Morin, G. E., Deputy Chairman and Acting Speaker (Carleton East L)
Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue (Brant-Oxford-Norfolk L)
Offer, S. (Mississauga North L)
Peterson, Hon. D. R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)
Philip, E. T. (Etobicoke NDP)
Pierce, F. J. (Rainy River PC)
Pouliot, G. (Lake Nipigon NDP)
Rae, R. K. (York South NDP)
Reville, D. (Riverdale NDP)
Runciman, R. W. (Leeds PC)
Scott, Hon. I. G., Attorney General (St. David L)
Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development (York North L)
Timbrell, D. R. (Don Mills PC)
Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)
Wildman, B. (Algoma NDP)

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Clerk of the House: R. G. Lewis, QC



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CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, January 9, 1986

The House resumed at 8 p.m.

Hon. Mr. Scott: If I have unanimous consent, I ask that Bills 11, 12 and 13 have second reading together as they are interconnected.

The Deputy Speaker: Is there unanimous consent for Bills 11, 12 and 13 to be read together?

Agreed to.

CHANGE OF NAME ACT

CHILDREN'S LAW REFORM AMENDMENT ACT

VITAL STATISTICS AMENDMENT ACT

Hon. Mr. Scott moved second reading of Bill 11, An Act to revise the Change of Name Act; Bill 12, An Act to amend the Children's Law Reform Act, and Bill 13, An Act to amend the Vital Statistics Act.

Hon. Mr. Scott: If the three bills presented this evening are approved, they represent approval in principle of major reforms of our laws relating to names and changes of names. Given the importance of these reforms, particularly to women, I invite the support of this crowded assembly to these important charter-inspired amendments.

Members will be aware the Supreme Court of Ontario has already found that one of the provisions of the current law is inconsistent with the Charter of Rights and Freedoms. In my view, respectfully, it will be only a matter of time before other provisions of the existing law will be challenged, perhaps successfully. Therefore, these bills, as a package, are intended to bring our law into conformity with the charter, particularly into conformity with section 15 of the charter, and to address the charter conflict the court has already identified and passed upon.

The reforms are not only legally significant as expressions of equality rights under the charter, but are also personally significant to the unique identity of every Ontario resident. Every constituency office–or certainly mine, which has been open only a short time–knows of the problems of a married woman who comes to the office wishing to revert to her maiden name or combine her surname with her husband's name, or of a deserted single mother who wants her child to have the same surname as hers, her husband having disappeared or abandoned all custodial or other rights to the child.

In recent years, members of all parties have introduced bills of one description or another designed to remedy and respond to these kinds of problems, much in the way the proposed legislation does. Accordingly, I am modestly confident the members will join at second reading in supporting the principle of the bills. Every birth and marriage creates a need for these reforms. Therefore, following second reading, we hope to proceed to enactment as quickly as possible.

As a result of a brief submitted by the Canadian Bar Association, Ontario section, I understand some members of the Legislature are anxious that Bill 11 be referred to the standing committee on administration of justice to consider the proposals the Canadian Bar Association has made. The government has no objection to that, but if, during second reading, members should change their minds, we would be delighted to see speedy enactment of these amendments designed to deal with the Charter of Rights challenges that confront us at present.

I should add only that it is the government's intention to ensure, as it has done in respect of every bill introduced by the Attorney General's department, that the Change of Name Act is enacted in both English and French, giving equal status to both versions.

Mr. O'Connor: I welcome the opportunity to provide our party's endorsement to these three bills in principle and would like to take the opportunity to say a few words with respect to each of them.

I would like to direct a few remarks to the Attorney General (Mr. Scott) with regard to these bills. I particularly note that upon his arrival in the chamber tonight, approximately five or six minutes ago, he announced or asked or whatever that these three bills have second reading together or in tandem–I have forgotten his exact phrase. We have no objection to that, but I raise the matter because it is something he might have discussed with the opposition parties or at least sought our consent for that type of procedural matter.

I want to indicate we will be co-operating with him to the fullest, particularly with legislation such as this that was initially drafted by the Conservative government when it was in office and introduced by the then Conservative Attorney General. For that reason, if no other, we have no objection to the bills in principle.

However, some difficulties other than with regard to these bills arose today and in the past little while, with the processing of legislation. I would simply implore the Attorney General, if he could, to see his way in future to being a little more consultative with us. I think he will find there will be a considerable degree of co-operation in the processing of what is now his legislation, which was previously ours.

Hon. Mr. Scott: Mr. Speaker, on a point of order: I hasten to make the point that I would have consulted as my friend suggests had the possibility or even the idea of doing this sensible thing occurred to me before now.

The Deputy Speaker: That is not an appropriate point of order.

Hon. Mr. Scott: I am sorry.

Mr. O'Connor: I do not raise these points in any way to scold my friend opposite, but only to indicate a greater degree of co-operation with regard to his legislation, particularly when it was formerly ours, could be achieved with a bit of advance notice on some of these things.

We endorse the principle of these three bills which were introduced by the previous government for the reasons the Attorney General has noted; that is, the requirements of the Charter of Rights and the necessity for implementation of equality between the sexes and between married spouses in regard to all aspects of their relationship.

The history of the use of names and the ability or right of people to change them is one that is rife with discrimination, particularly against women, children and, in some cases in the recent history of Ontario, against non-British subjects who, under the existing legislation not too long ago, had a more difficult time changing their names than did British subjects.

8:10 p.m.

As a few examples in the recent past, I would simply note that until 1972, which is not all that long ago, a married woman could not apply to change her name even if she wished to change the name of the whole family. It simply was not her right to change her own name, which was a highly discriminatory measure in our then existing law. In 1972, the law was changed to mollify that situation to a certain extent, but not completely.

Until recently, when a Supreme Court of Ontario decision held otherwise, a woman who retained her maiden name after marriage and then wished to change it had also to apply to change the surname of her husband and her children. She was not free of her own accord to deal with her own name. That would be the law today but for the decision of the High Court of Ontario which ruled that section and the result of that section in the Change of Name Act to be unconstitutional and unfair.

At present, even under the existing law, certain provisions of the current law are unfair, particularly to women and children, and require amendment in the very near future. That will be resolved and taken care of by the provisions of Bill 11. At present, an unmarried mother cannot change her child's name to her own name. The child must bear the name of the father. If the child bears the name of the father from birth, the unmarried mother does not have the choice thereafter to change the child's name.

Another provision in the law as it currently exists is that a man cannot assume his wife's name on marriage as the wife can assume the man's name. As another example of the state of the law as it currently exists, parents cannot give their children the mother's name upon the birth of a child. The option in the law as it exists is for the child to use the surname of the father, or alternatively, to use a hyphenated name of the mother and father, but not to use that of the mother alone.

It is necessary to bring this whole area of the law into the 1980s. The Human Rights Code and the Charter of Rights guarantee equality between the sexes and between spouses. There are numerous examples where such equality does not exist and which should be rectified.

Further, under the present law, to change the name where it does permit change of name–I have indicated areas where such equality does not exist–a lengthy and cumbersome procedure is required, one that requires a court application to the district court in the jurisdiction where the applicant lives. The costs involved run between $300 and $500 for an individual and up to $1,000 for an entire family. That is an exorbitant amount of money for what should be a simple and straightforward procedure.

There is paperwork by way of an application and supporting affidavits. There is the necessity to publish the application and its provisions in the local media. Alternatively, if one wishes to avoid

that publication, one must make a separate application to the court to dispense with the necessity for local publication, adding to the expense and the delays involved in the processing of the application.

Wisely, we have seen the cumbersomeness of all this and the need for simplifying such procedure. Bill 11 does two very important things. It provides two very important services to the people of Ontario.

First, it removes the various discriminatory restrictions to which I have referred and it puts all parties involved in wishing to change their name on an equal footing. Husbands, wives and children, with the consent of the custodial parents, would have equal rights generally in this area of name changes.

Further, and quite important, it dramatically simplifies the whole procedure of name-change applications. Hereafter, upon the passage of Bill 11–which we hope will be done in the near future as has been indicated by the Attorney General; we support him in his view in that regard–there will be a simplified, straightforward application to be dealt with by the registrar general under the Vital Statistics Act. There will no longer be the necessity for court applications; there will merely be the filing of a single form with a considerable amount of information required.

Whether all that information is necessary and whether it can be modified and cut down to a certain extent is something we can perhaps raise at the committee stage of this bill. However, the thrust of the application now is one simple form that is to be processed by a person who will no doubt be experienced in reviewing these things quickly. The time will be cut down dramatically and the cost will be considerably reduced. Although there are no regulations to the bill as yet, I would expect a cost somewhere in the neighbourhood of $25 to be sufficient to accommodate the work needed on the part of the civil servant involved.

According to the bill, the application must be processed and approved by the registrar general. There is only one condition upon which he cannot and must not approve the application, and that is if he deems the change to be sought for an improper purpose. The statute is thereafter silent about what is considered to be an improper purpose, and again perhaps at committee stage we could do a little bit of work to assist the registrar general and the courts–some of these matters do go that far–in defining what is and what is not an improper purpose.

I have some ideas I will put to the Attorney General at that time about how we might better define that area. To leave it as broad, as general and as open as it is, I suggest, would invite some discretion, perhaps too much, on the part of the registrar general. He might welcome, and the citizens of Ontario would welcome, some guidance in determining and defining those terms.

If the registrar general sees fit to turn down an application for the reason mentioned, there is then the right of appeal to the district court. Thus, there is judicial input, judicial review of that decision should the applicant feel unfairly dealt with.

The improvements are significant, they are necessary and they are ones with which we will agree entirely, as I said, at least on second reading.

The second bill we are dealing with is Bill 12, a bill that amends in very brief fashion the Children's Law Reform Act. It is not tremendously significant or important, except that it is complementary to Bill 11. It is necessary to give full effect to those changes in Bill 11 that relate to children. Again, there will be no difficulty in our party agreeing in principle to those terms.

The third bill we are dealing with tonight is Bill 13, An Act to amend the Vital Statistics Act. This bill, as was indicated previously, is complementary to Bills 11 and 12. The three of them, I agree with the Attorney General, should be dealt with and passed in tandem to give full effect to the meaning and intent of the change of name changes that are being recommended as necessary to give effect to the Charter of Rights.

The present laws dealing with vital statistics–that is, generally the registration of children's names at birth, spouses' names on marriage and so forth–have some anomalies that must be changed. At present, a couple may give the child of a marriage or a relationship either the husband's name upon that child's birth or a hyphenated name comprising the husband's and the wife's names. The element lacking in that choice is the possibility of giving the child the wife's maiden name.

8:20 p.m.

Further, an unmarried mother may give her child either her name or a hyphenated name comprising both her name and the father's name, provided consent is obtained from the father. The element lacking in that situation is that the child may not bear the name of the father.

Ms. Fish: The mother.

Mr. O'Connor: The father; unmarried. Shall I explain it again to the member for St. George (Ms. Fish)? I can go right through it again.

Interjection.

Mr. O'Connor: She will get her turn. She should leave me alone. On a point of order, Mr. Speaker: The member for St. George is out of order.

Under the new bill, a child under either a marriage relationship or a common law relationship can bear the name of the mother or the father or the hyphenated name of both of them. There is a small situation that could arise in this circumstance and lead to some interesting scenarios.

There is an option for a couple registering their child. They now each have an equal right to register the child's name in their name or the spouse's name. If both spouses indicate they wish to register the child in his or her name and cannot resolve that difficulty, the registrar general has the right in those circumstances to register the child with a hyphenated name comprising the names of both the mother and the father.

The bill requires that he register them in alphabetical order. There may be some difficulty in that both parties might wish to be first in alphabetical order. One can anticipate that with the birth of the child mere days or a week away, one party will rush to change his or her name to Agronsky or Aaron or some such name to ensure that he or she is first, and the other will try to upstage the former by a similar manoeuvre. I wonder whether we are going to get into such situations.

One other significant matter dealt with by the Vital Statistics Act is a step that is almost common in the other provinces across Canada, I believe with the exception of one. Hereafter, all change-of-name procedures will be dealt with by the registrar general under the Vital Statistics Act.

The registration of the names of people and the issuance of birth certificates and all matters relating to that area will be dealt with by that functionary under the Vital Statistics Act. All these matters now will be dealt with in the same office by the same person, whereas previously the change-of-name application had to be made to a court and then referred to the vital statistics office for registration and for to be dealt by the civil service.

We will be supporting the provisions of Bill 13. I am not sure whether my friend's intention is to seek to have all three bills go to the standing committee on administration of justice. We are in agreement that at least Bill 11 should. Since the others are complementary, perhaps they should be dealt with at the same time.

I go back to my initial remarks to the Attorney General about some kind of courteous notice to us when he intends to proceed with bills of this nature. Having only yesterday been requested to be prepared to proceed on these bills, I was curious why the timing was such that he wanted to do it in such quick fashion and at this present time.

I read recently a story in the newspaper about a gentleman who was seeking to change his name. That gentleman is a friend of the Attorney General. I was wondering whether the Attorney General was seeking to accommodate his friend who is seeking to change his name. His friend's name is Richard A. Bain, QC. For a gentlemen seeking to change his name to Richard A. Bain, QC, he has to go through the cumbersome procedure of applying to the court.

Perhaps the Attorney General is attempting to accommodate him in his wishes with his new name and that is why he brought these bills here this evening. For that reason, we are prepared to accommodate him to the fullest.

We are in support of these bills, and I thank the House for the opportunity to speak.

Ms. Gigantes: I also rise in support of the three bills before us. I am puzzled why the Attorney General has chosen to ask us to discuss all three together when it is quite likely we will want to deal with them in different ways. However, on behalf of our caucus, I should like to express our pleasure at seeing these bills before us, particularly the main one, Bill 11, which changes the very principles on which names and changes of names are made and given in Ontario. It has been a long time coming, it is very welcome, and it is most welcome by women, as has been noted before, and I am sure it will be by children, too.

I have just a few comments on the Attorney General's note that there was a desire on the part of some members of the House to see Bill 11 go to the standing committee on administration of justice. I would like to point out that though we were in a position to begin first reading on Bill 11 on October 24, I think the Attorney General at that time adjourned the debate rather than beginning to speak to it.

On November 28, the Attorney General and the critics for his ministry received from the Canadian Bar Association proposals for amendments to Bill 11. I have indicated to the Attorney General in the meantime that there are several

points raised in that submission by the bar association that I think worth considering. In particular, I note four items that were raised in that brief, which I feel should be looked at by the justice committee. I think the Attorney General might, upon hearing discussion of these points, decide they should be incorporated into the bill.

1. The Ontario branch of the Canadian Bar Association suggests that spouses, while they are cohabiting, should be able to change names only with the consent of the other spouse. While that may be a debatable point, it is certainly one worth considering and having a thorough discussion about.

2. The bar association also suggests that a child over the age of 16 who has withdrawn from parental control should be able to change his or her name without parental consent, though it suggests the parents should be notified after the fact. I think that too is worth considering. There are plenty of young people who, for very good reasons, having left home, may decide they wish to change their names and should perhaps be allowed that right without parental consent.

3. The bar association has suggested–and this is quite a serious point–the change of name of a child should not be accomplished by a custodial parent without the consent of the noncustodial parent. Again, to me that is a debatable point, but I think it is one that deserves discussion in committee and a good, deep discussion of the kind we are unlikely to have here. We do not have amendments before us from the Attorney General. I would certainly like to hear discussion on these points and I would consider putting forward amendments following discussion.

4. The bar association has suggested a person cohabiting, or a second spouse, should not be able to apply to change the name of the child in the family without the consent of the spouse who is the father or mother of that child. As the bill sits before us now, I read it the same way when I read it carefully.

In the case of a person who is cohabiting and in a familial, parental kind of relationship, as we have defined it under our new Family Law Act, with a child in the household, neither the natural nor the adoptive parent of that child could make an application for the change of name without the consent of the natural or adoptive father or mother of the child.

The Attorney General has pointed out that notice would be involved, but it seems to me the law could be made better on that point. I think the point raised by the bar association deserves our attention.

8:30 p.m.

Even though these suggestions have been brought to us late, given the fact we are considering the bill late, it is worth taking a look at them. I would welcome some response from the Attorney General this evening, if we could have it.

I point out that Bill 12, as far as I can see, in conjunction with Bill 11 and with the proposed amendment the Attorney General has presented to us, looks to me to be quite straightforward. When we get to Bill 13, An Act to amend the Vital Statistics Act, I would like to raise some questions with the Attorney General concerning subsection 10a(1).

If I may make reference to that, what we are dealing with here is the change of name of a child under 12. This permits a child who is 12 or over to have the right to be consulted about such a change of name. I am wondering whether that is not too high an age limit. It seems to me that by the time a child is about eight that child probably has pretty strong feelings about his or her name and that the wishes of the child should perhaps be taken into account at an age earlier than 12.

I suggest to the Attorney General that in the amendments he has proposed to us for Bill 13, I see no problem except for section 5a. The amendment proposed by the Attorney General to section 5a refers to the registrar general and, in fact, makes mention of where the change-of-name certificate shall be obtained, which is in the registrar general's office.

Strangely enough, it refers to the registrar general's office as "his" office. I am sure this was not the intent of the drafters of the amendment and I am sure it is something we can clean up quite easily in the spirit of this legislation and our real interest in having these bills accord fully with the charter.

I would like to find out from the Attorney General whether it is his intent to deal tonight in committee of the whole House with Bills 12 and 13 and to allow us to refer Bill 11 as a separate matter to the standing committee on administration of justice, or whether he wants to throw them all to the justice committee?

Like the previous speaker, I prefer to have these bills passed quickly. If we can get Bills 12 and 13 completely through second reading tonight, I would be pleased to do that. I hope we can get to Bill 11 relatively quickly in the justice committee. I do not think it will take us long to deal with it once it is there.

Mr. Partington: I rise to speak in support of the passing of Bills 11, 12 and 13. I support them

in principle. I am pleased to see that the thrust of the bills is to remove any discrimination on the basis of sex, marital or family status with respect to names and name changes.

I am happy to see in Bill 11 that it is now possible for a married couple to take the name of either spouse, the husband or the wife, or for them to have a third, independent name. More important than the right to have that choice of names, I think, is the simplification the act provides with respect to applying for a name change.

Up to the present time, as the member for Oakville (Mr. O'Connor) has mentioned, the procedure has been relatively complex, with an application to court and either publication of the application or an order dispensing with notice; and perhaps even a more awkward step of having the applicant individually, or if it is a family application the children as well, appear before a judge to answer questions in support of the application and declarations that are filed. The simple application now is a step that will assist the people who seek this very necessary service.

I would also like to speak in support of section 7 of the Vital Statistics Amendment Act, particularly the part that will now permit the child of a marriage to take the mother's name. I was very interested to read paragraph 7(3)2, which states that if the parents cannot agree on a child's surname, the child will be registered with the surname of his or her parents if they have the same surname, or with a hyphenated surname in alphabetical order if they cannot agree. That would be a very interesting circumstance to see, and I am sure it will lead to problems other than that of just trying to determine the child's name.

However, as I said before, the acts together go far. They provide fairness in the selection of a name as between spouses and they simplify the change-of-name procedure, which is a step that should be taken, because in the great majority of cases the applications are made for very good and proper reasons.

Mr. Warner: I appreciate the opportunity to participate in second reading of this bill. I am very concerned about the procedure we are following. I certainly appreciate the exuberance and energy of the Attorney General. He is always quite concerned about handling legislation properly and swiftly and getting the job done well–

Ms. Gigantes: Except equal pay.

Mr. Warner: –on most things, except equal pay.

However, in his exuberance and his enthusiasm I fear we are doing something that is really not a good idea. The House has agreed that we will deal with three bills at once. I do not think this is a particularly good way to proceed. I realize that the three bills are related to each other and share a common principle. If we pass Bill 11, for example, then Bills 12 and 13 are necessary; they are companion pieces of legislation. However, the normal route for us to follow is to deal with one bill at a time.

For example, now that we have grouped these three together, in the course of the debate we have discovered that we wish to deal with at least one of the three bills in committee outside the House and that we wish perhaps to deal with the other two bills in the House. However, we have put them together as a single entity, it would seem, by three-party agreement. By the time we conclude this second-reading debate, some wise individual is going to have to decide how to untangle the mess we have created, because one of the three bills needs to go outside the House while the other two remain, and yet we want them all dealt with tonight.

I respectfully submit that at the outset we should have dealt with Bill 11 first and, having completed second-reading debate, then with Bill 12 and Bill 13. We should then have dispensed with Bill 11 outside the House and dealt with Bills 12 and 13 individually here. However, we are in the midst of this little jumble, and I am sure some creative soul will figure out how we are going to untangle it.

8:40 p.m.

Obviously, many of us are very pleased to see the principles of Bills 11, 12, and 13 come forward. It is a welcome and necessary step towards equality between the sexes in our province. It is one many people have contributed to over the years.

In particular, I wish to pay tribute to an individual who spent quite a bit of time in research and a fair bit of time in court on the issue of the Change of Name Act. Carol Ateah is a lawyer for Scarborough Community Legal Services who spent quite a bit of her time attempting to bring about the change we see before us. She is very pleased to see the bill come forward because in part it was her efforts, along with those of many others, that helped bring this legislation forward.

At the same time there are many others, including the people who work in the Attorney General's ministry who put the bill together under the previous administration and again under this one. Naturally, they deserve credit as well.

As do other members of the Legislature, I wish to see these bills go forward as quickly as possible. I urge the Attorney General to find some compatible way to separate Bill 11, get it to committee quickly, dealt with and back here. As my colleague has mentioned, while the items are arguable, they are worthy of being debated. We deserve that opportunity, and so do the people of Ontario.

Mr. Speaker: The member for St. George.

[Applause]

Ms. Fish: Did I see the Attorney General applauding recognition of the member for St. George.

Hon. Mr. Scott: It is always great to hear the member give a short speech.

Ms. Fish: My goodness. I am glad to see he is cheerier than on occasion at committee.

I am very pleased to rise in support of all three bills. Like my colleague the member for Oakville, I believe the proposed changes are very much in keeping with today's society. They afford an advancement in recognition not only of the changes in society but also of our views to provide flexibility and sensitivity in handling things that are rather important to individuals, families and family units as a whole.

I am very pleased and proud to have been associated with the formulation of this legislation as it was originally launched under the previous government. I was very proud to have been a member of the executive council that brought forward the legislation in its initial form.

In giving his careful thought to changes of this sort, I hope the Attorney General will continue to afford a sensitivity to individual needs within our society and explore ways to ensure the court procedures, administrative procedures and requirements we put people through are regularly reviewed, streamlined, sensitized and, one hopes, made simpler for all of us in a society that is ever more complex.

I feel this is particularly important, but not for the usual reasons. Many of these concerns about vital statistics or a change of name come up often when one points to a growing trend of common law relationships or a general North American pattern that speaks to changes in the relationships between men and women in our society. Those are very important reasons for bringing forward this legislation and for speaking appropriately to changes we know have been taking place in our society.

I believe we should be very proud, and I am sure all members in this chamber are very proud, that our society has changed dramatically in other ways as well. It has changed dramatically, in the last generation in particular, with the numbers of people who have come from around the world from a variety of different traditions and languages, people who bring with them an enriching opportunity to our society. Among other things, that affords a challenge to those who have been here before as much as it does to those who arrive new to our shores.

In considering the relationship between the state and the individual, every time we can encourage people to participate in our society and make the decisions that govern their lives and the lives of their families, and reinforce the very positive concept so important in Ontario's tradition, which is that authority is there to be of help, not to be fearful of or to move away from; and every time we are sensitive to streamlining a procedure and making it simpler; we are responding to all our people.

In particular, we are responding to those who may be in third-language groups, to those who have come from regimes where authority was something to be feared, to those who find themselves in a circumstance where they are rebuilding their lives and putting down new roots for their families. They carry with them a concern about the extent to which they should look at exercising their rights and opportunities within our society.

I realize that changes in vital statistics, changes in name and changes in the circumstances for children may seem in many respects a small contribution in response to the overall thrust of ensuring that authority within our society is authority that is helpful and not authority that is oppressive. I believe, however, that if we have that theme in our minds at all times, we will be making very steady progress; and that if we make it in this area, we can make it equally in a variety of other areas.

It is for a combination of many reasons–a return to some of the fundamental principles in our society, principles of opportunity for some freedom of choice, principles that afford a human and compassionate side to the procedures and requirements we put in front of people, converting them rather into opportunities for individual decisions–that I am very pleased this evening to be supporting all three of these bills.

On the small matter of the way in which three bills being considered at once can be dealt with, I am sure the solution is as obvious to the Attorney General as it is to me. We will simply have all of

them go together to the standing committee on the administration of justice.

Hon. Mr. Scott: I thank the honourable members who participated in the debate and who have joined in the support of these bills, particularly the member for Brock (Mr. Partington), the member for St. George and the member for Ottawa Centre (Ms. Gigantes). I have left out the member for Oakville and the member for Scarborough-Ellesmere (Mr. Warner) because I want to deal particularly and specially with the procedural observations they made.

Let me begin by saying that if I had understood there to be any rule or procedure that prevented the request for unanimous consent as I made it, I would have honoured the rule. Of course, there is no such rule, and it was open to any member who felt that in any sense his or her privileges were offended by the request simply to refuse it.

8:50 p.m.

The member for Oakville is an old friend of mine and a distinguished colleague in the profession. A mere six months of this exercise in opposition has made him inordinately prickly. I counsel him to take lunch at the earliest opportunity with, let us say, my colleague the Treasurer (Mr. Nixon), who has experience of opposition and who can help him to devise methods to get through a decade or two in his present seat with good humour.

Mr. Foulds: The Treasurer's good humour only arose when he went to that side of the House.

Hon. Mr. Scott: I will be coming to the member for Port Arthur (Mr. Foulds) in a minute.

I want to make it perfectly clear that in my second bill in this House, I did not intend to overrule, as the member seems to think I did, some 400 years of parliamentary procedure. That was not intended. His response is rather like the response that the descendants of the Duke of Buckingham made when the reforms were instituted by Cromwell in the Long Parliament.

I am not surprised the member for Oakville would take such an archaic position on a matter of procedure. I am stunned the member for Scarborough-Ellesmere, as far as I knew heretofore a progressive force, should take the view that supports the same proposition.

Mr. Warner: The Attorney General has not heard my speech about the Magna Carta.

Hon. Mr. Scott: We are not talking about the Magna Carta. We are talking about parliamentary responsibilities, and the royalist view of procedure has been taken by the member for Oakville and the member for Scarborough-Ellesmere. I would not have done what I did had I known–

Mr. Foulds: The member for Oshawa (Mr. Breaugh) would say the Attorney General was being sneaky.

Hon. Mr. Scott: Yes; the member for Oshawa said I was being sneaky. My mother, who is in Florida, complained about that. I sated her in some fashion by pointing out that "sneaky" is the member for Oshawa's highest compliment.

I would not have done what I did if I had thought it presented any logical or practical problem. It creates no logical problem because each of the bills will be called separately, and the House leader may suggest to the House how each of them, in turn, will be dealt with.

So it will be clear, I emphasize what I said in opening: it is my proposal to recommend to the House that Bill 11, when it is called, go to the standing committee on administration of justice, and that Bills 12 and 13 go to committee of the whole House so they can be dealt with in that fashion. There is no procedural impediment to that.

I moved as I did because, as a relative newcomer, it struck me it was logical and practical that three bills, absolutely interconnected, should be discussed as one. The fact that the member for Scarborough-Ellesmere and the member for Oakville wanted to take three times the required length of time to discuss one issue is a matter that is upon their own consciences entirely.

Mr. Breaugh: It is not on the minister's conscience.

Mr. Foulds: Why is the Attorney General going on so long about this? Why is he talking so long?

Hon. Mr. Scott: It is good to see a little movement around here after 8 p.m.

I regret, and I want to emphasize that I will never again challenge the member for Oakville or the member for Scarborough-Ellesmere to deal with anything expeditiously or efficiently. I will concede from now on their right to deal with any issue at inordinate length and three times rather than once.

Having said that, I want to turn to the observations that have been made about the bill. I want to say that I accept and adopt, and wish I had said, what the member for St. George had to say about the spirit of the bill, because I think that is the important thing. This bill deals with

matters that are very close to ordinary people, to families and to young children. I know we are all conscious of that as we proceed to deal with what is, for people like those, perhaps one of the most directly important pieces of legislation we will pass in these months. The spirit her remarks revealed is one I would like to adopt.

Let me come to the observations made by the member for Ottawa Centre, the new slave of the Canadian Bar Association. The recommendations of the Canadian Bar Association on the bill have been in our hands since November, I believe. They raise important policy questions that are inconsistent with the policy disposition which the bill represents. I do not agree with them as being central or particularly significant, but I am perfectly content–indeed, as a matter of policy it is probably desirable, though again it will involve a delay–that the matter go to committee because, as honourable members know, I do everything I can to please and pacify my critics on these important matters.

Ms. Gigantes: Except equal pay.

Hon. Mr. Scott: We are going to satisfy the member on equal pay too.

I note particularly the observation of the member for Ottawa Centre that the registrar of vital statistics is referred to in the possessive as "his" in the legislation. I note that difficulty. The Interpretation Act, which has always been relied on, takes care of that pronoun, though no doubt in due course an appropriate amendment can be made.

I note the rather facetious suggestion by the member for Oakville that Richard A. Bain may utilize the provisions of this legislation to apply to change his name to Richard A. Bain, QC. Indeed, it had not occurred to me until now, but that is probably the best reason this bill should go to committee and not be available for enactment for a period of time. I am sorry this is the kind of application the member for Oakville could not himself advance with justification.

In summing up, I want to thank the honourable members for their co-operation. I apologize for the breach of historical etiquette. I countenance that it will not occur again unless it is necessary to do it, and I thank the individual members and the parties they represent for their support of this significant legislation.

Mr. Speaker: The motion was placed for the second reading of these three bills. I appreciate the comments made by many members on this procedure. However, I will place the motion on each bill separately; it will give the members the opportunity to fulfil their duties through standing order 56, which allows them to send these bills to committee, to standing committee or to third reading.

Hon. Mr. Scott has moved second reading of Bill 11.

Motion agreed to.

Bill ordered for standing committee on administration of justice.

Mr. Speaker: Hon. Mr. Scott has moved second reading of Bill 12.

Motion agreed to.

Mr. Speaker: Shall the bill be ordered for committee of the whole House?

Mr. O'Connor: On a point of order, Mr. Speaker: May I address that point?

Mr. Speaker: Under which order?

Mr. O'Connor: My friend has indicated that he prefers the bills go to the committee of the whole House. I think there is a valid and substantive reason that this should not occur, and I would like to address that point. I do not know under the procedures whether I can do it now or otherwise.

Mr. Speaker: It really is not proper to address that. I refer to standing order 56 because included in that standing order is the provision that if 20 members rise in their place, the bill automatically will be sent to a standing committee.

The Attorney General has recommended that this be sent to the committee of the whole House. Agreed?

Some hon. members: No.

Mr. Speaker: The bill will go to–

An hon. member: Justice.

9 p.m.

Mr. Speaker: Twenty people have to stand. I do not see 20 members standing in their place.

Bill ordered for committee of the whole House.

Mr. Speaker: Hon. Mr. Scott has moved second reading of Bill 13.

Motion agreed to.

Bill ordered for committee of the whole House.

House in committee of the whole.

CHILDREN'S LAW REFORM AMENDMENT ACT

Consideration of Bill 12, An Act to amend the Children's Law Reform Act.

Sections 1 to 3, inclusive, agreed to.

Mr. Chairman: Hon. Mr. Scott moves that the bill be amended by adding thereto the following section:

"3a. Section 36 of the said act, as enacted by the Revised Statutes of Ontario, 1982, chapter 20, section 1, is repealed and the following substituted therefor:

"36(1) On application, a court may make an interim or final order restraining a person from molesting, annoying or harassing the applicant or children in the applicant's lawful custody and may require the person to enter into the recognizance or post the bond that the court considers appropriate.

"(2) A person who contravenes a restraining order is guilty of an offence and upon conviction is liable,

"(a) in the case of a first offence, to a fine of not more than $1,000 or to imprisonment for a term of not more than three months, or to both; and

"(b) in the case of a second or subsequent offence, to a fine of not more than $10,000 or to imprisonment for a term of not more than two years, or to both.

"(3) A police officer may arrest without warrant a person the police officer believes on reasonable and probable grounds to have contravened a restraining order.

"(4) Subsections 2 and 3 also apply in respect of contraventions, committed after those subsections come into force, of restraining orders made under a predecessor of this section."

Hon. Mr. Scott: As I told the members of the House, and as members of the standing committee on administration of justice will know, this simply reflects changes that parallel provisions in the Family Law Act, section 46. It is in that sense a technical proposal.

Mr. O'Connor: I have a few remarks with respect to this bill. I refer to my previous attempts to make some comments during the brief time we were referring this matter to committee of the whole House. The point I wanted to make at that time was that as the Attorney General (Mr. Scott) correctly pointed out at the beginning of this evening, these three bills are closely interrelated and interlinked. They should be and were upon agreement of the House debated on second reading at one time. They are that closely interconnected with each other.

The reason I felt all three should have gone to the same committee was a difficulty that the Attorney General perhaps did not anticipate, which now may arise because of dealing with it in this manner. Bill 11 is the most substantive of the three bills. It is the one for which the Attorney General has proposed 25 amendments and has delivered them to us. There will be considerable debate, discussion and amendments to Bill 11. Because the other two bills follow closely on and are complementary to Bill 11, further amendments may be required to those two bills as a result of having dealt with Bill 11.

If we now deal totally with Bills 12 and 13 at this stage, pass them through committee of the whole House and send them back to the House for third reading, without consent of the whole House we will not have the opportunity to effect possible amendments that will be required as a result of whatever happens to Bill 11 in the standing committee on administration of justice. I raise that for his consideration. I have no specific comments on the subsection under review.

I thank you, Mr. Chairman, for giving me latitude to discuss this matter when, perhaps quite properly, it was not in order at this time.

Ms. Gigantes: I will support the amendments that have been put forward by the Attorney General, but I will draw to the attention of members that Bill 12 is about change of names, vital statistics and the relationship of the Child and Family Services Act with those matters. The amendment before us, which will undoubtedly pass, is one which has a totally different source. It comes to us as a result of the family law legislation, with which we have now almost completed our dealings here in the Legislature, and which we cannot wait to be finished with and get out to the public that has been waiting for it.

I find it kind of strange that we are dealing with this kind of amendment in the context of this bill, and I would suggest to the Attorney General that in future, when he wants to make an amendment to a bill to accommodate changes we have made in another piece of legislation, he separate the two things. We really are mixing up the discussion here. Essentially, what we are dealing with in the amendment is a matter of preventing excesses that can occur on separation or the breakup of a marriage, the harassment that one partner may inflict on another and the need for reasonable and efficient enforcement methods to prevent such harassment.

I personally, as a member of the Legislature, do not like mixing up these different kinds of motions or throwing in an amendment to a bill simply because we have not had the Children's Law Reform Act before us. I think we are going to run into much the same kind of discussion when we get to Bill 7, and I suggest to the

minister that from here on he take a look at the amendments coming forth in great rushes to him from eager staff and ask himself whether he really wants to incorporate every little bend and twist of legislative reform that has a piece of legislation X as an object when the sources are very different.

Mr. Warner: My colleague the member for Oshawa (Mr. Breaugh) has obviously vindicated the principle of the three bills neatly tied together as a package with a bow around them as, overall, an amendment to the Change of Name Act. That is a principle with which we agree.

The proposed amendment setting out section 3(a) has nothing to do with that principle, but we now have it before us. No one objects to it. It is a desired change in the law. It is something we wish to see. We would have been happy to have seen this introduced as an amendment to the Children's Law Reform Act, but this appeared to be a convenient opportunity to slip something in that had nothing to do with the principle of the bills with which we are dealing.

Having said that, we are pleased to support the amendment. I have one question, and it is designed to elicit a lawyer's response more than anything else. Not being a lawyer, it will be instructive to me.

I always have concerns when we allow police officers to operate without a warrant, and the operative phrase here is "reasonable and probable grounds." I would appreciate the Attorney General's opinion as to what "reasonable and probable grounds" should properly include in the amendment he has proposed.

9:10 p.m.

Mr. Chairman: Does the Attorney General wish to reply at this point?

Hon. Mr. Scott: Yes, to a number of points. First, the procedural objection raised by the member for Oakville (Mr. O'Connor) that launched this evening's endeavours was that somehow it was wrong, without consulting him, to present three bills as one.

That happened. Although I am advised by the Clerk of the House there is ample precedent for it, I apologize to the member if he felt offended by that process. His practical objection to what we did was that we would not be able to separate the bills in terms of their disposition; they would all have to go to either committee of the whole House or the standing committee on administration of justice. That is why he objected to it, and because he had not had notice of it.

We are past that stage and it is clear they did not all have to go one place. Now the objection is being advanced that there is something wrong with the House in committee of the whole dealing with a bill that may be impinged upon by a bill that is going to be dealt with by the justice committee. Surely that happens in legislatures every day, and there is nothing wrong with it.

If fundamental changes are made by the justice committee and upon report by this House in Bill 11, then certain parts of Bills 12 and 13 that have been passed may have to be modified or may be ineffective. There is nothing new about any of that. Let us not get carried away with the procedural difficulty that is presented.

My friend the bar association representative for Ottawa Centre makes the point that the amendment I proposed to Bill 12, section 3a, is somehow inappropriate because it is inconsistent with the balance of Bill 12 and raises a different matter. I think I have her objection.

The reality is that the balance of Bill 12 does deal with amendments made necessary by the Vital Statistics Act, but, as she will also know, what we are doing there is amending the Children's Law Reform Act to take account of changes we are making in the Vital Statistics Act. We also have to amend the Children's Law Reform Act to take account of changes we are making, which we have reported to this House, in the Family Law Reform Act.

What my learned friend seems to want is two separate bills in one session, each to amend the Children's Law Reform Act. That, to me—and I may be a complete ninny—makes no sense. Why have two separate bills to amend one act when we can have one bill with two sections to amend the same act? There may be some historical rationalization for that proposition, but if there is I have some difficulty understanding it.

Next time I will try to do better and, instead of presenting one omnibus bill, will seriously consider taking each section apart and giving each section its own bill, according to its subject matter, to meet the concerns of my honourable friend.

The royalist from Scarborough-Ellesmere asks what is meant in subsection 36(3) of the proposed amendment, which permits a police officer to arrest without warrant when he believes "on reasonable and probable grounds" that a restraining order has been contravened. That phrase "on reasonable and probable grounds" is a historic, traditional and well-understood phrase in which the police officer, the provincial judge, the justice of the peace or the superior court judge, whoever has to exercise the authority, is obliged to consider the evidence before him, the knowl-

edge, the factual information he has, to measure whether that evidence reasonably justifies that there is a probability that an offence, or in this case, a breach of a restraining order, has occurred.

It is simply a section quite traditional in statutes which casts a burden of a relatively precise legal type upon a person to consider matters and make a determination at a certain level before acting. There is nothing novel in the language. It is the traditional language that is necessary, for example, before an information can be laid, and I do not think the member for Scarborough-Ellesmere (Mr. Warner) will, on reflection, find anything unusual about it.

Ms. Gigantes: Very briefly, I feel a grave responsibility to remove any suspicion by the Attorney General that any member of this Legislature considers him a ninny. That is not the case, and I am sure you already know that, Mr. Chairman.

I was suggesting to the Attorney General that, while we are quite prepared to pass this amendment in conjunction with what is essentially another matter, because it does fit exactly with the needs of amendments that arise out of the family law bill, it is a kind of legislative manoeuvre, if I may call it that. There is nothing illegitimate about it except that each bill that comes before us is supposed to have a purpose.

The purpose of an omnibus bill is not to amend a given piece of legislation in 15 different ways unless that is the stated purpose of the bill. The purpose of this bill is to introduce consistency with the Change of Name Act, and that is what it says before it. It does not say that the purpose of the bill is to deal with all the necessities that arise because of the family law bill.

I have no particular objection to this amendment in this bill, but I would suggest to the Attorney General that he be careful of this kind of manoeuvre. I think it is going to cause problems when we get to Bill 7. I am not talking about the past; I am not talking about the present. I am asking him to be careful about this kind of thing in the future.

Motion agreed to.

Sections 4 and 5 agreed to.

Bill, as amended, ordered to be reported.

VITAL STATISTICS AMENDMENT ACT

Consideration of Bill 13, An Act to amend the Vital Statistics Act.

Mr. Chairman: Are there any questions, comments or amendments to the bill, and if so, to what sections?

Hon. Mr. Scott: I have amendments to subsections 6(9) and (10), subsection 10a(5a) and subsection 10b(2) of the act as set out in section 2 of the bill. Then I propose the addition of sections 2a and 2b; an amendment to subsection 3(1); the addition of a section 3a; the addition of a section 5a; an amendment to subsection 7(2) and the addition of a section 11a.

Section 1 agreed to.

9:20 p.m.

Ms. Gigantes: I indicated earlier a problem with subsection 10a(1); and in subsection 12(2) there is some wrong lettering. I would also like to see whether we can clean up the question of whether a man or woman necessarily is going to be registrar general and receive people in his or her office. That has to do with the amendment to section 5a suggested by the Attorney General.

On section 2:

Mr. Chairman: Hon. Mr. Scott moves that section 2 of the bill be amended by striking out "sections 12 and 13" in the first and second lines and inserting in lieu thereof "section 13."

Motion agreed to.

Mr. Chairman: Hon. Mr. Scott moves that subsections 6(9) and 6(10) of the act, as set out in section 2 of the bill, be struck out and the following substituted therefor:

"(9) Where a statement completed by only one parent of the child or by a person who is not the child's parent is registered, any of the following persons may apply to the registrar general to amend the statement: (1) The child's mother and father together; (2) the child's mother, if the father is incapable or unacknowledged by or unknown to the mother; (3) the child's father, if the mother is incapable.

"(10) The registrar general shall amend the registration accordingly.

"(11) If one parent applies to amend the statement without the other because the other parent is incapable, a statutory declaration of the fact shall be attached to the application.

"(12) On receiving a certified copy of an order under sections 4, 5, or 6, child's parentage, of the Children's Law Reform Act respecting a child whose birth is registered in Ontario, the registrar general shall amend the particulars of the child's parents shown in the registration, in accordance with the order."

Hon. Mr. Scott: The purpose of these amendments is perhaps clear from the notes I have sent to the critics. Subsections 9 and 11 make provision for the case where the birth was originally registered by a nonparent and one

parent wishes to amend the registration. Subsection 12 clarifies how the registrar general is to amend the registration where an order is made under the Children's Law Reform Act.

Mr. O'Connor: I have one small point and a question for the Attorney General. Subsection 11 provides that if one parent is incapable of statutory declaration, that fact shall be attached to the application. Should there be some indication as to by whom that declaration should be made and perhaps the form it should take? As it is now, it is left open, and since there is no restriction on it, it is anticipated the other spouse might be the one who is capable of making that statutory declaration.

I see that as a somewhat dangerous situation in a case where, for nefarious reasons or for less-than-honourable reasons, a spouse might make that declaration to achieve his or her purpose under the act. Perhaps there should be a restriction against the other spouse or a restriction providing that it has to be a competent medical practitioner or somebody who is capable of making that decision or judgement.

Hon. Mr. Scott: The practical difficulty is that it may not always be possible to tell who is going to be available to make the application. I am conscious of the concern the honourable member has, that it may be used, as he seems to suggest, in some fraudulent way to obtain the change. If that happens, the entire proceeding can be promptly set aside and will be of no effect whatever.

The problem is that the statutory declaration is a document in solemn form and would normally be justification of proving the fact. What is the fact?–that the parent is incapable.

If I may respectfully say, the concern of the member is cautious in the extreme and might create more difficulties than it would resolve.

Mr. O'Connor: I would just make a further comment that the word "incapable" is one that is not defined in the act. It is subject to many interpretations and is a subjective call. If it is left open for anyone in society to be able to make that subjective call, there is some potential. With a very minor amendment requiring that it be done by someone such as a medical practitioner, we may resolve that problem.

Hon. Mr. Scott: I want to be sensitive to the request, but we are dealing with an attempt to simplify procedures in order that it can be done by ordinary people without lawyers, but with a reasonable amount of solemnity so that it will not be a simple formality. What is required here is a statutory declaration that one of the parents is incapable. That is a judgement most parents are capable of making. It would be a misfortune if it were necessary for them to go out and get a doctor or doctors to make this simple declaration.

If my friend is concerned about the chance that the determination of incapacity will be wrong in the end or will be done for some improper purpose, I remind him that if it is done in either of those circumstances, the whole proceeding can be set aside and is of no effect. Also, the person who did it is guilty of a criminal offence for having made a false statutory declaration.

We lawyers are anxious to close every gate and every avenue, but it seems dangerous to be too punctilious in legislation of this type. We simply create machinery that ordinary people are not able to work without our almost miraculous, though sometimes expensive, intervention.

Mr. Chairman: Shall Hon. Mr. Scott's amendments to subsections 6(9) and 6(10) of the act, as set out in section 2 of the bill, carry? Carried.

Hon. Mr. Scott moves that section 10a of the act, as set out in section 2 of the bill, be amended by adding thereto the following subsection:

"(5a) The election shall be accompanied by all birth certificates of the child that are in the possession of the person making the election."

9:30 p.m.

Hon. Mr. Scott: This is the same change as in the Change of Name Act.

Mr. O'Connor: I make a brief comment to suggest this makes the point I attempted to make earlier as to why we should not proceed with this bill at this time. If this section happens to be changed by the Change of Name Act, this is complementary to it. It will have to come back and have the same change made here. I know it can be done, but it would have been simpler to do it all at once.

Mr. Chairman: Shall Hon. Mr. Scott's amendment to subsection 10a(5a) of the act, as set out in section 2 of the bill, carry? Carried.

Hon. Mr. Scott moves that subsection 10b(2) of the act, as set out in section 2 of the bill, be amended by striking out "new" in the third line.

Hon. Mr. Scott: I do not think any explanation is required for this one.

Mr. Chairman: Shall Hon. Mr. Scott's amendment to section 2, subsection 10b(2), carry? Carried.

Hon. Mr. Scott moves that the bill be amended by adding thereto the following sections:

"2a(1) Subsection 12(1) of the said act is amended by striking out 'under subsection 6(1)'

in the 11th and 12th lines and inserting in lieu thereof 'by section 6.'

"(2) Section 12 of the said act is amended by adding thereto the following subsection:

"(3) This section does not apply to a birth registered after the coming into force of section 2 of the Vital Statistics Amendment Act, 1985.

"2b. Subsection 14(1) of the said act is amended by striking out 'furnish particulars of the birth under subsection 6(1)' in the second and third lines and inserting in lieu thereof 'certified it under section 6.'"

Hon. Mr. Scott: I will just note, as I have noted on the comments I have provided to the critics, that the act requires disclosure of the mother's marital status. Section 12 permits parents who are unmarried at the time of the child's birth to reregister as married if they intermarry. Hundreds of people reregister each year, so the provision should be retained for births that are already registered.

Mr. Chairman: Shall Hon. Mr. Scott's amendment to add sections 2a and 2b carry? Carried.

Section 2, as amended, agreed to.

On section 3:

Mr. Chairman: Hon. Mr. Scott moves that subsection 3(1) of the bill be struck out and the following substituted therefor:

"(1) Subsection 24(2) of the act is amended by striking out 'in lawful wedlock' in the 15th line."

Hon. Mr. Scott: It is only to be noted that the section is not necessary under this legislation.

Mr. Chairman: Does the motion of Hon. Mr. Scott on subsection 3(1) carry? Carried.

Section 3, as amended, agreed to.

Mr. Chairman: Hon. Mr. Scott moves that the bill be amended by adding thereto the following section:

"3a. Section 26 of the said act is repealed and the following substituted therefor:

"26(1) Upon receipt of a document that satisfies the registrar general that the name of a person whose birth is registered in Ontario has been changed in accordance with the law of the province or territory of Canada or of the foreign state in which the document was made, the registrar general shall register the document and note the change of name on the person's registration.

"(2) If the person's marriage is registered in Ontario, the registrar general shall also, at the person's request, note the change of name on the person's marriage registration.

"(3) Where a change of name has been noted on a birth or marriage registration and application is made for a birth or marriage certificate, the certificate shall be issued as if the registration has been made in the name as changed.

"(4) Upon receipt of a document that satisfies the registrar general that a document effecting a change of name has been annulled in accordance with the law of the province or territory of Canada or of the foreign state in which such documents were made, the registrar general shall register the document and note the annulment on the person's birth registration, on the document effecting the change of name and, if the change of name that is annulled is noted on the person's marriage registration, on that registration.

"(5) Every notation made under this section shall be dated and initialled by an officer designated by the regulations."

Hon. Mr. Scott: The purpose is purely technical because the amendments will not automatically be made without a section such as this.

Motion agreed to.

Sections 4 and 5 agreed to.

Mr. Chairman: Hon. Mr. Scott moves that the bill be amended by adding thereto the following section:

"5a. Section 40 of the said act is amended by adding thereto the following subsection:

"(4) Upon application and upon payment of the prescribed fee, any person may obtain from the registrar general a change of name certificate in respect of any change of name of which there is a registration, made after the coming into force of the Vital Statistics Amendment Act, 1985, in his or her office."

Hon. Mr. Scott: This incorporates the change that the member for Ottawa Centre (Ms. Gigantes) requested. It should be noted that without this section, the present act does not make provision for copies of change-of-name certificates.

Ms. Gigantes: I think that is just terrific.

Mr. Warner: I am a bit disappointed that the Attorney General has not moved all the amendments for all the bills together.

Motion agreed to.

Section 6 agreed to.

On section 7:

Mr. Chairman: Hon. Mr. Scott moves that subsection 44(4) of the act, as set out in subsection 7(2) of the bill, be amended by

striking out "names" in the second line and inserting in lieu thereof "name."

Hon. Mr. Scott: This is so all the names will be kept on file–

Mr. Timbrell: What is your hurry.

Hon. Mr. Scott: I beg your pardon?

This is so all the names will be kept on file, but will not be obliged to be given out unless it is required.

While I am here, I might comment to the member for Scarborough-Ellesmere (Mr. Warner) that the reason I do not move all the amendments at the same time is that it would be logically unsatisfactory to deal with them all at once, whereas it is not logically unsatisfactory, as we have seen, to deal at once with the principle of three bills that are connected.

Motion agreed to.

Section 7, as amended, agreed to.

Sections 8 to 10, inclusive, agreed to.

9:40 p.m.

Ms. Gigantes: I am quite confused and if the members will apply a little sympathy to my case, they will understand why. The numbering in this bill to amend the Vital Statistics Act is awfully confusing. Sections 1 and 2 are on page 1 and section 3 is on page 6. In the meantime, we have numbering and lettering that are discernible–with my 43-year-old eyes plus glasses–to be no different at all in terms of size, weight of lettering or anything.

I indicated earlier that I wished to raise a question concerning what I called section 10a; however, it is in truth section 2 of the bill. I do not know quite what the Chairman can do to help me except get permission to go back so I might raise a question about that section.

Mr. Chairman: Which page?

Ms. Gigantes: Page 5. It is section 2 of the bill, section 10a of the act.

Mr. Chairman: Do we have unanimous consent of the committee to revert to section 2 of the bill, section 10a of the act? Agreed?

Agreed to.

On section 2:

Ms. Gigantes: I appreciate this kindness.

The question I wished to raise had to do with the right of a child who might be younger than 12 to be consulted about a change of his or her name. It seems to me that children under the age of 12 could very well be considered to have some right to be consulted about such a change and to give permission for a change of name.

I have no idea of the psychology of children and names–I am no expert in the area–but it seems to me that an eight-year-old in many cases would feel a pretty strong attachment to a name, particularly if it involved a change of name to that of one or other of the parents once the parents had separated. It seems to me the child would want to be consulted. I ask the Attorney General why the proposed age here is 12 and whether he does not think that might bear some review.

Hon. Mr. Scott: Can I ask the honourable member whether she is referring to subsection 10a(1)?

Ms. Gigantes: I am indeed.

Hon. Mr. Scott: The problem presented is, at what age shall a child have the right not to be consulted? One can consult a child of any age, but at what age shall a child have the right to be the determining factor in whether his or her name should be changed? One has to pick an age. One might pick five, 12 or eight. A difficult and probably impossible policy choice has to be made. The policy choice of a statute is 12, which means under that age the child will not have the right to prevent his or her change of name and will not have the right to institute a change of his or her name on his own.

I think 12 is just about right. I cannot see seven-year-old children initiating changes of names on their own behalf, and frankly I cannot see that it is appropriate that seven-year-old children be entitled to prevent their parents from changing not only the parents' surname but also the child's surname.

Ms. Gigantes: Subsection 10a(1) of the act does not deal with the initiation by the child of a change of name. It deals only with the question of the person who has legal custody of the child initiating a change in name and says that if the child is under the age of 12, essentially the child has no choice about it. It seems to me that is a pretty high cutoff point.

I do not think the Attorney General is dealing directly with that point when he confuses it with the question of whether the child shall initiate the application for a name change. That is not what I am raising here.

Is there any possibility for a child whose name is changed to seek any other avenue under law to maintain his or her former name? The Attorney General seems to me to be treating it a bit lightly, but I think an awful lot of children might take very serious objection to having their names changed, and I cannot see why they should not be listened to.

Hon. Mr. Scott: I am not taking it lightly at all. We are talking about the same thing. The situation is this, as the section makes clear: If a couple with children decide to change their surname and wish to change the surname of their children at the same time, if the child is 12 or over, the consent of that child must be obtained or the child will have to be taken to court as a respondent to get an order dispensing with his consent. A child 12 or over is given the authority, in effect, to resist the change of his last name and to run the risk that a judge will determine that his consent under this act should be dispensed with.

What my friend is suggesting is that the age should be reduced to what? Eight? Seven? Six? Nine? If it is reduced to eight so that the section reads "under the age of eight years," it will mean that any child of eight whose parents decide to change their name will have ipso facto the right to refuse to change his own name at the same time, and it will be possible to remedy this, if he or she resists, only by bringing an application in the court in which the child is a respondent–he will be represented, perhaps, by the official guardian–to determine whether his consent should be dispensed with.

The issue, it seems to me, is what is the appropriate age at which the interests of the child in a matter as important and as significant as a child's name should be governed by the parents. Consideration has been given to this. There are relatively few guidelines. It has been decided quite arbitrarily that 12 is the age at which the child should have the right to refuse his or her consent to the name change and that under 12 the child should be governed by the wishes of its parents. I frankly have no difficulty with that proposal at all.

Mr. Foulds: I am not learned in the law, nor am I learned in name identification, but it does seem to me that my colleague the member for Ottawa Centre raises some valid concerns. The child, whether he is eight, nine, 10, 12 or 13, is not given any veto right over his parents' change of name or his legal guardians' change of name. However, the member makes a very valid point that a 10-year-old, an 11-year-old or even a seven-year-old may have a very strong attachment to his own name, the name he has learned to be identified by, the name he has grown up with and so on.

9:50 p.m.

I think of my own 11-year-old, who identifies very strongly with his own name. If I should for political reasons wish to change my name to Scott, for example, he would be offended, and I think rightly so. I think he should have the right to veto my wish to change his name from the one he has grown up with and learned to live with for 11 years.

The Attorney General throws back the tough question; I admit that. At what age does one make the cutoff? I do not have an easy answer for that, but I think one has to admit my colleague has a valid point. Is there an age limit in the child welfare legislation?

Hon. Mr. Scott: The age of 18 is the one commonly used.

Mr. Foulds: Can the Attorney General tell us whether there is any logic to using the age of 12? He gave it such a deification earlier in his argument. Is there any rationale or reason?

Hon. Mr. Scott: I am advised there is other legislation dealing with medical consents and treatment which fixes 12 years of age, but it is arbitrary. To be frank, the fact that 12 has been selected arbitrarily in some other act does not make it less arbitrary because it is selected once again; it remains an arbitrary selection.

All I can tell the member is that it has been utilized in other legislation; but so has 18.

Mr. Foulds: So has 19.

Hon. Mr. Scott: Yes.

Mr. Morin-Strom: I also rise to support the concerns of the member for Ottawa Centre on this issue. I have a child aged six at this point, just about to turn seven, and she has a very clear identity as to what her name is. In the case of a child in my daughter's situation, if I were to propose to change her name, I believe she would have an identity problem with that.

Although I am not a psychologist or a psychiatrist, I think there could be problems with the child in the case where one parent who may have control of the child wants to have that child change his or her name. I think the child's consent should be required at an age much lower than 12. If I were to suggest an age, I would suggest six.

I think the Attorney General has not looked at what may be the ramifications on the psychological wellbeing of the child of forcing a name change against the consent of that child. I hope the Attorney General will reconsider and lower the age of consent in this case.

Hon. Mr. Scott: I simply say I am very sensitive to the concerns my honourable friends have expressed, except for the suggestion of age six made by the member speaking last, which seems to me more arbitrary than age 12 because there is no statute of which I am aware in which

age six is used. We are forced to make a profound sociological judgement based on our own experience.

Mr. Foulds: Did the minister say "sociological judgement"?

Hon. Mr. Scott: That is what it is, because it is an attempt to measure the social impact of the deprivation for a child of a given age of the right, as my honourable friend puts it, to be consulted or to withhold his consent with respect to a change of name and to require his parents to apply to a court and have notice served upon him to dispense with his consent. I do not think the interests of a child require that kind of exercise.

Frankly, I am offended at the prospect that the member who spoke last would consider undertaking this kind of litigation with respect to one of his children. I would presume, if my friend is right about his view of the child, he would be perfectly content to allow a six-year-old child to apply to change his or her name. If the child is–

Ms. Gigantes: There the minister goes again. That is a red herring.

Mr. Foulds: That is a red herring and the minister knows it.

Mr. Morin-Strom: The minister does not take the interests of the children into account.

Hon. Mr. Scott: The member cannot have it both ways. If he is going to–

Mr. Foulds: That is a lawyer's argument.

Mr. Chairman: Order. You will have your chance to make comments.

Hon. Mr. Scott: It is not an argument at all if it is going to be interrupted, but the point of it is that–

Mr. Foulds: It is not even a point.

Hon. Mr. Scott: The member has not even heard it yet. He should listen once in a while and maybe he will hear it. He may not agree with it when it is over, and then he will say so. However, the point–

Mr. Gillies: He may not understand it.

Hon. Mr. Scott: He may not understand it either, but he probably will because it is a very simple argument. If we are talking about consent of the child, what we are talking about, as the member who spoke last has indicated clearly by his remarks, is the extent to which a child should control his name.

If the child, having been given a name by his mother, should have the right at age six to prevent the mother from changing that name, then we are in substance saying that by age six the child has developed a proprietary right with respect to his name. If he has a proprietary right with respect to his name, we must concede him the collateral proprietary right to change it, as a matter of principle.

Ms. Gigantes: No.

Mr. Foulds: The minister is taking the argument to a logical extremity that is absurd.

Hon. Mr. Scott: I anticipate that the New Democratic Party will probably vote against this amendment.

Mr. Foulds: The minister may push us to it.

Mr. Warner: No, I am sure he did not mean to be provocative.

Interestingly, the actual number the minister selected does not concern me so much. I can live with 12. I do not think it is unreasonable. Neither do I think eight is unreasonable. I think the problem is the approach. What we have decided here is that it will be an either-or situation.

The Attorney General rightly points out that it is an arbitrary choice, and he chose a number. What disappoints me is that rather than choosing a number, it might have been more helpful to have chosen, instead of the either-or situation, a third-party opportunity that is flexible and would allow the advantage of taking the concerns of the individual child into account, given all the circumstances, without having to refer to an absolute age. In some instances a child of eight would have that opportunity; in other instances it would be a child of 12.

Instead, the minister has chosen a cutoff point, and the moment a cutoff point is chosen, there has to be a determination of an absolute age. The minister, in his wisdom, has chosen 12. Some will argue it should have been 13 or 11 or eight. I think the process is wrong. The minister has set up this either-or situation, which is not as helpful as allowing the opportunity for an impartial third party–a judge or a mediator or whoever, but an independent third party–to be able to assess the situation and to be of assistance to both the child and the parents.

Having said that, we are faced with the fact that the actual amendment specifies an age. The minister has chosen 12, and I do not think it unreasonable. As I say, I do not think age eight is unreasonable either, but that is in the abstract. When we are dealing with specific situations, in some cases age 12 may not be sufficient for some children; in others age eight will be. It becomes very difficult because the minister has chosen an arbitrary age. I suppose he is better to err on the side of caution than not, and 12 is probably okay.

10 p.m.

Mr. Chairman: Are there any other questions or discussions regarding section 10a on page 5 of the bill? Shall section 2 of the bill, as amended, carry?

An hon. member: No.

Mr. Chairman: Did I hear "no"?

Ms. Gigantes: It has already been carried.

Mr. Chairman: We reopened it.

All those in favour will please say "aye."

All those opposed will please say "nay."

In my opinion the ayes have it.

Section 2, as amended, agreed to.

Mr. Chairman: Shall section 11 on the last page stand as part of the bill?

Mr. Warner: Can we back up to page 7? Before we reopened section 2, we started going through the sections that have all the money items in them.

Mr. Chairman: Will the member please stand?

Mr. Warner: I was standing; that is the problem. I agree with my colleague about the numbering. I think it is terribly confusing and it has created a few problems.

Mr. Chairman: I agree.

Mr. Warner: Inflation has struck through sections 8, 9 and 10 and all of us have a great deal of concern about inflation. Can I have some explanation as to why these amounts have been multiplied by 10 and four respectively?

Mr. Chairman: Since they have been carried, do we have unanimous consent to reopen sections 8, 9 and 10?

Mr. Warner: I think they were carried because we did not understand the numbering.

Hon. Mr. Scott: I have learned my lesson about unanimous consent, but I will grant it for my part.

Mr. Chairman: Do we have unanimous consent to reopen sections 8, 9 and 10?

Agreed to.

On sections 8 to 10, inclusive:

Mr. Warner: I want an explanation of the inflation factor involved in each of those sections.

Hon. Mr. Scott: These are efforts to increase the fines to levels that we regard as appropriate, bearing in mind the inflation that has occurred since the act was last amended in this particular.

Mr. Warner: When was it last amended?

Hon. Mr. Scott: I do not know. I can find out if my friend wants me to.

Mr. Warner: I am curious about subsection 8(1), where the original amount of $100 is multiplied by 10. I am curious as to when the $100 was set and whether we are justified in multiplying it by 10; I think that is a reasonable request.

Hon. Mr. Scott: I can assist my friend by telling him that the amendments were probably made between 1970 and 1980. That was the last amendment to the statute.

Mr. Warner: I see. One could say that if the $100 was set in 1970, then by 1985 or 1986 to multiply it by 10 is reasonable. On the other hand, if it was set in 1980, to multiply it by 10 five years later is probably not reasonable. However, I am satisfied that the new amounts are reasonable levels for fines to be set. I am always curious when I see inflation striking.

Sections 8 to 10, inclusive, agreed to.

Section 11 agreed to.

Mr. Chairman: Hon. Mr. Scott moves that the bill be amended by adding the following:

"11a. The said act is amended by adding thereto the following section:

"54a(1) No proceeding shall be commenced in respect of an offence under this act more than one year after the deputy registrar general becomes aware of the facts on which the proceeding is based.

"(2) A statement as to the time when the deputy registrar general became aware of the facts on which the proceeding is based, purporting to be certified by the deputy registrar general, is, without proof of that person's office or signature, evidence of the facts stated in it."

Motion agreed to.

On section 12:

Ms. Gigantes: If we follow what we are doing with subsection 12(2), we will realize that the clause added in subsection 12(2) should be clause 55(t). If the effect of subsection 12(2) is to remove clause 55(o), then the result should be that subsection 12(2) will add clause 55(t). I am sure that will be straightened out when they are reprinting the bill.

Hon. Mr. Scott: When the bill is passed, the legislative counsel takes care of any renumbering that is necessary. I frankly cannot say at this hour whether the member for Ottawa Centre is once again right or not.

Mr. Chairman: Does the Attorney General wish to ask legislative counsel?

Hon. Mr. Scott: My understanding is that it is usually done when the bill is passed in order to get sequential numbering. If that is not the case, I will inquire.

Mr. Chairman: Is the member satisfied with that explanation?

Ms. Gigantes: I think that will do.

Hon. Mr. Scott: I am advised by legislative counsel that the point made by the member is not right, but that numbering requirements and consistency of numbering are arranged by legislative counsel when the bill is passed, if there are any inconsistencies.

Section 12 agreed to.

On section 13:

Mr. Warner: While it is customary for the date to be announced by the proclamation of the Lieutenant Governor, does the Attorney General have a target date on which he proposes to have this bill and the other two proclaimed?

Hon. Mr. Scott: I think it would be proclaimed when Bill 11 gets out of the committee to which it has been consigned and is reported back. I think it would be in the interests of everybody to proclaim them on the same day.

Mr. Warner: The Attorney General knows this will be a very speedy process with all the co-operative help that is available. Once Bill 11 is finished in committee, it is then his intention to have the three bills proclaimed immediately, and they will come into force in our courts very shortly. Is that right?

Hon. Mr. Scott: That is not what I said. I said there would be no point in proclaiming this bill or Bill 12 until such time as Bill 11 is out of the committee and given third reading by the House. In other words, that will be the earliest date at which they can be proclaimed.

Ms. Gigantes: Does the Attorney General anticipate any reason for delay in proclamation once we get Bill 11 out of committee and back into the House?

10:10 p.m.

Hon. Mr. Scott: I do not anticipate any, but then it was my wish that they all be passed tonight. It was the wish of the member for Ottawa Centre that one of them be sent to committee.

Section 13 agreed to.

Section 14 agreed to.

Bill ordered to be reported.

On motion by Hon. Mr. Scott, the committee of the whole House reported two bills with certain amendments.

Motion agreed to.

The House adjourned at 10:11 p.m.

CONTENTS

Thursday, January 9, 1986

Second readings

Change of Name Act, Children's Law Reform Amendment Act, Vital Statistics Amendment Act, Bills 11, 12 and 13, Mr. Scott, Mr. O'Connor, Ms. Gigantes, Mr. Partington, Mr. Warner, Ms. Fish, agreed to 2907

Committee of the whole House

Children's Law Reform Amendment Act, Bill 12, Mr. Scott, Mr. O'Connor, Ms. Gigantes, Mr. Warner, reported 2915

Vital Statistics Amendment Act, Bill 13, Mr. Scott, Ms. Gigantes, Mr. O'Connor, Mr. Foulds, Mr. Morin-Strom, Mr. Warner, reported 2918

Other business

Adjournment 2925

SPEAKERS IN THIS ISSUE

Breaugh, M. J. (Oshawa NDP)
Edighoffer, Hon. H. A., Speaker (Perth L)
Fish, S. A. (St. George PC)
Foulds, J. F. (Port Arthur NDP)
Gigantes, E. (Ottawa Centre NDP)
Gillies, P. A. (Brantford PC)
Morin-Strom, K. (Sault Ste. Marie NDP)
O'Connor, T. P. (Oakville PC)
Partington, P. (Brock PC)
Scott, Hon. I. G., Attorney General (St. David L)
Timbrell, D. R. (Don Mills PC)
Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)
Warner, D. W. (Scarborough-Ellesmere NDP)

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Speaker: Honourable H. A. Edighoffer
Clerk of the House: R. G. Lewis, QC

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CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

Alphabetical lists of members of the Legislative Assembly of Ontario, members of the executive council, parliamentary assistants and members of committees also appear at the back as an appendix.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Friday, January 10, 1986

The House met at 10 a.m.

Prayers.

ORAL QUESTIONS

TRUST COMPANIES

Mr. Grossman: I have a question for the Premier. He was quoted this week with regard to the trust company circumstance of a couple of years ago as saying, "There was a very strange relationship between the trust companies, regulatory officials, the government and others." I wonder whether he might describe and outline what he considers to be the very strange relationship.

Hon. Mr. Peterson: I can go back and talk about the history of this. The Leader of the Opposition will recall, because he was in the government at that time, that what transpired in this province was one of the great regulatory failures of all time. In other words, when those trust companies ran into the problems they had, the government should have been on top of them.

As the honourable member may recall, a number of former cabinet ministers of his government were on the boards of some of these companies, and they resigned. There was never any action brought for liability or responsibility. He will recall the closeness of some of those relationships, which were never investigated.

In my view, there should have been an independent royal commission inquiry into that entire matter. I can assure the member I would call for that today if I thought it would be productive, but we are too far away from it. We have lost the opportunity for that. There are so many unanswered questions. The police are still investigating. Who knows what will come out of that? When one looks back, it was a real disgrace for this province.

Mr. Grossman: I am concerned about the Premier of this province saying publicly with regard to regulatory officials, government officials and elected officials that there was "a very strange relationship." In fairness, with all the words the Premier has used this morning, it is incumbent upon him to say whether he is or is not suggesting there was anything even remotely improper in the relationship between "others" and the former Premier of this province, Dr. Elgie and government officials in the Ministry of Consumer and Commercial Relations. By using these careless words, which have left an unfair and improper impression out there, he has suggested, with respect, that there was something improper in these relationships.

Can the Premier specify whether he meant there was anything improper in the relationships involving former Premier Davis, Dr. Elgie or any officials in the Ministry of Consumer and Commercial Relations?

Hon. Mr. Peterson: I have never impugned the integrity of Mr. Davis or Dr. Elgie. I have discussed this matter I do not know how many times in this House, and I will say again I think there was tremendous incompetence by the former government, for which it was responsible.

I will do that. We discussed this day after day in this House. The government refused to do anything about it at that time, and we still have the sorry spectacle of not knowing the outcome. The Leader of the Opposition wants to drag me into some kind of personal fight. That is his style. It is not my style, and I do not need to be like that.

Mr. Rae: Many of us who have watched this government with interest have noted that this same ministry and those same officials of whom the then Leader of the Opposition was so critical two years ago have been totally unchanged, with the exception of the replacement of the old minister by the new minister, the minister for economics 101. We all know how major a change that has been in the life of the province.

Can the Premier stand up and say he has complete confidence in the staff of the Ministry of Consumer and Commercial Relations, the same people who were involved? If he does have complete confidence, why did he make his comments about the so-called strange relationship?

Hon. Mr. Peterson: The honourable member will recall the trust company affair, as I do. He and I agreed on a number of the conclusions we came to at the time. I can assure him it is something we have worried about. We have looked at the Dupré report, as he knows, which made some very serious recommendations with

respect to restructuring. We take these matters extremely seriously and we will be moving on them in the very near future.

Mr. Grossman: The question is not whether there was regulatory failure, whether some things could have been done or whether there was incompetence; that was not the point of the comments the Premier made. When he wants to lecture me or any member of this House about playing fast and loose with words and the truth, it was he who moved this into an area that involved personalities, when he said "there was a very strange relationship between the trust companies, regulatory officials, the government and others." Those are people who are still employed by him in this government.

Let us just go through those one last time. By referring to "the government," the Premier must be referring to former Premier Davis, Dr. Elgie, whom he has appointed to head the Workers' Compensation Board, or other then ministers of the crown. Was he referring to a strange relationship between them and others, or was he referring to a strange relationship between the civil servants, all of whom are still employed by him and his government, and others? That is the personal innuendo the Premier got into, and I am inviting him to apologize and to clarify the record this morning. Which ones was he referring to?

10:10 a.m.

Hon. Mr. Peterson: I was referring to a number of the people who were on the board of Crown Trust.

Mr. Grossman: Who?

Mr. Rae: Who? Name names.

Hon. Mr. Peterson: There was David Cowper. John Clement was on the board and there were others. The member will recall those discussions in the House. He will recall they resigned. They were not involved in part of the investigation. The member knows exactly the kinds of things that were going on at the time. It is my view that we should have had an investigation into all of that, but somehow it all sort of evaporated.

SUNDAY TRADING

Mr. Sterling: I have a question for the Solicitor General in relation to Sunday closing laws. The Solicitor General has stated publicly there is nothing wrong with the current laws regarding Sunday shopping. The minister announced to this Legislature on January 6 that he was going to review Sunday closing laws after the cases before the Supreme Court were decided. The Premier has stated he favours more relaxed Sunday shopping laws. What is the government's position on this matter?

Hon. Mr. Keyes: The government's position is clear. We will be reviewing the law in a wide-open manner with input from every member of this House, from the public, from retailers and maybe from one of the client groups served by that law of this parliament. It will be wide open. We will consider the input and then we will make our decision as to whether and to what extent amendments will be made.

Mr. Sterling: It is hard to imagine why the government is having the review when it has decided on two different positions.

The Solicitor General is aware that the rule of law provides that the application of the law be made without discretion in its application. At present, cases dealing with Sunday closing laws and bylaws are before the Supreme Court of Canada. The minister and the Attorney General (Mr. Scott) have stated the province will continue to prosecute those who violate the Retail Business Holidays Act in the interim.

Mr. Speaker: Is your question "Do you agree?"

Mr. Sterling: No. The case of Dr. Henry Morgentaler is also before the Supreme Court of Canada. However, this government has decided to discontinue the prosecution of Dr. Morgentaler.

Mr. Speaker: Question, please.

Mr. Sterling: Why does this government treat Dr. Morgentaler in a less severe manner than the retail shops of this province?

Hon. Mr. Keyes: With regard to the responsibility of the Ministry of the Solicitor General, it is to enforce the Retail Business Holidays Act, and the position the honourable member has stated is so. We intend to continue to lay charges against people who violate the law of this country. As he knows, the matter is before the Supreme Court.

If the honourable member wishes any comment on or comparison between the government's position with respect to the Retail Business Holidays Act and that of any other individual, I suggest he direct his question to the Ministry of the Attorney General, which deals with that issue.

Mr. Warner: Now that the member for Carleton-Grenville (Mr. Sterling) has holstered his gun, will the Solicitor General, while he is considering the kind of change that would undermine the family life structure we have so assiduously built over decades in this province,

give us the assurance of doing two things: (1) make it absolutely clear that for first offences the crown is asking for the maximum $10,000 fine; (2) treat the special case of the Boxing Day fiasco, where literally several hundred stores flouted the law, with special–

Mr. Speaker: Order.

Mr. McClellan: On a point of order, Mr. Speaker: You allowed the member of the Tory party to go on for five minutes, and you cut this member off after one minute.

Mr. Speaker: Order.

Mr. Ashe: There goes the alliance.

Mr. Speaker: Order. I heard two questions being placed for a supplementary. Would the minister answer?

Hon. Mr. Keyes: Members on both sides of the House, I am sure, find it abhorrent that people break the law of the land. We have charged those people who do break the law of the land. We have said we want the maximum fine to be imposed on those people who have so violated the law, particularly with respect to the most recent holiday examples of breaking the law.

Mr. Sterling: The minister's responsibility is to enforce the law and to charge people who have broken it, as he has said. Does the minister then agree with Provincial Court Judge Lorenzo DiCecco, who recently has stated the Morgentaler clinic is being kept open for only one purpose and that is to flout the law?

Hon. Mr. Keyes: I have not expressed any agreement with the decision the honourable gentleman has rendered; I have not apprised myself of it. I have stated the case of this government with respect to the enforcement of this particular law, and it has been made very clear.

INSURANCE RATES

Mr. Rae: I want to go back to the Minister of Consumer and Commercial Relations and talk a bit about car insurance and the epidemic of price competition that has resulted in such a slashing of rates. He described it as the rate-cutting wars of the early 1980s.

Since the minister proclaimed his economic knowledge yesterday in the House with such force, can he explain how it is possible that in the community of Bruce Mines, which is a community of 400 in the constituency of my colleague the member for Algoma (Mr. Wildman), a 21-year-old with a clear driving record would pay $2,544 in premiums for car insurance, whereas in Winnipeg, where there is, as the minister will know, a state monopoly on insurance, somebody pays $447 and in Prince George, British Columbia, where there is also a state monopoly on insurance, one pays $677?

Can he explain why Ontario, the haven of price competition that has resulted in this dramatic slashing of rates, has produced a car insurance rate of $2,544, whereas in those provinces that have chosen a monopoly, we see rates that are roughly a quarter or in some cases a sixth of what they are in the metropolis of Bruce Mines?

Hon. Mr. Kwinter: The rates are set on an individual basis within a specific jurisdiction. There is no sense in comparing Winnipeg with Ontario or Manitoba with BC. Each of those jurisdictions is dealt with separately.

As far as the 21-year-old is concerned, if the honourable member has ever had a son or a daughter who has tried to get insurance, he would know that the sons in particular are in the absolutely highest risk factor, and it is based on claim experience.

Mr. Rae: The minister is really missing the boat on this one.

An hon. member: Is there a boat in Bruce Mines?

Mr. Rae: We will get to that insurance problem in a moment; I want to stay with cars if I can.

The minister has to appreciate that what is happening in Ontario is a ripoff of the consumer of historic proportions, that consumers are being ripped off in comparison to drivers in other parts of Canada and that the minister is in a position to do something about it.

10:20 a.m.

I am not asking him to go to London to talk about reinsurance. Reinsurance affects Winnipeg, Regina and British Columbia as much as it affects us here in Ontario. Why are their rates so substantially lower for drivers in the same category, and why in communities of comparable size and risk are there discrepancies of three and four times? Why is that the case and what is the minister going to do to protect the consumers of this province?

Hon. Mr. Kwinter: That is one of the topics the task force will address, and we will wait to see its reply.

Mr. Grossman: I have a simple question for the minister. Can he tell us whether he thinks the rates in Bruce Mines are justified?

Hon. Mr. Kwinter: I do not know, because I do not know the claim experience in that area.

That is something we will look at in a general way to decide whether those rates are justified.

Mr. Rae: The minister's staff could do what my staff has done; that is, present a series of hypothetical examples to a series of companies to come up with some figures. It is not difficult to do.

I am talking about an accident-clear, 21-year-old driver driving a Plymouth Reliant, which was the example of car we gave. The figure in Elliot Lake is $2,847, in Bruce Mines $2,544, in Toronto $2,755 and in Hamilton $2,183. The figure in Brandon is $344, in Vancouver $715 and in Regina $407. There is no comparison of the figures involved here.

We are talking about drivers in communities of very small size in Ontario. They do not have huge accidents, and they have very small populations. There are 400 people living in Bruce Mines. Why should somebody living in Bruce Mines, a community of 400, be paying rates of insurance that are six times what people are paying in Brandon, Manitoba? Why is that the case and why is the minister not standing up for Ontario consumers rather than just being an apologist for the insurance industry of this province?

Hon. Mr. Kwinter: I do not want to answer a question with a question, but in all the research the leader of the third party has done, has he asked the insurance company in Manitoba to quote on that insurance in Ontario and find out what kind of rate it has?

[Applause]

Mr. Rae: Move him up. Shuffle him up. Give this guy a break. Anybody who would applaud that answer deserves a raise. Give this man a car. Get him a car and a driver. Even Bill Davis gave me a car.

Hon. Mr. Peterson: He gave the member for York South (Mr. Rae) a QC too.

Mr. Rae: Only after he gave it to the member for London Centre (Mr. Peterson).

PENSION REFORM

Mr. Rae: My next question is to the Treasurer, who is smiling at the end of the week. I notice with interest that the Treasurer, whose speeches we always follow with interest, will be the keynote speaker at the Ontario region meeting of the Canadian Pension Conference on Friday, January 17, 1986.

In that regard, he will know that somebody retiring in 1975 on a private pension has had the value of that private pension reduced by 50 per cent as a result of inflation since 1975. In the long-awaited process of pension reform, is it the position of the government of Ontario that pensioners on a private pension will be assured of indexing to cover increases in the cost of living in those private pensions? Will indexing be a feature of the Treasurer's reform, and if not, why not?

Hon. Mr. Nixon: The answer is that it will not be. The work that has gone on through the treasury offices in the provinces across Canada must be three or four years old. Most of the work was done–

Interjection.

Hon. Mr. Nixon: Five years, I am told by an eminent authority.

Most of the work was done when the Leader of the Opposition (Mr. Grossman) was Treasurer. As nearly as I can gather, he was, as usual, a very effective spokesman in these matters in dealing with the treasurers from the other provinces. The point of the whole operation is to get the best consensus among the provinces so legislation can be introduced that will be basically uniform across the country in order that people employed in Alberta can move from one province to another, or to the Maritimes, and have the same basic coverage.

Although Ontario, under the previous government and this one, has attempted to have this consensus, including indexing, we have not been successful. Therefore, I expect the consensus legislation, which I believe will be introduced by my colleague the Minister of Consumer and Commercial Relations (Mr. Kwinter) some time in the next few weeks, will not have the indexing component.

As a government or as a Legislature, we can improve the situation for our pensioners if we have a program that is reasonable, rational and supportable. However, the basic legislation which is the consensus across Canada will not include it.

Mr. Rae: What the minister has done for the insurance companies the Treasurer is also doing. It is a huge ripoff of pensioners and consumers generally. He is allowing the pension companies to skim that off without passing on the incredible increases in interest rates and the incredible impact of inflation in the past 10 years.

Why should people in Ontario be held hostage by the pension companies, the insurance companies and now the Tory Premiers in other provinces? Why is the government not prepared to go it alone and set an example with respect to the basic question of indexing, when it has been the historic position of the Liberal Party and

indeed of this Legislature as a whole that we will provide for indexing?

Mr. Speaker: Order. The question has been asked.

Mr. Rae: The Treasurer said it would happen. Why is the government holding Ontario hostage to those reactionary Tory Premiers and the pension companies?

Hon. Mr. Nixon: I am always very impressed by the energy the leader of the third party can put into Friday morning question periods.

We all agree he is talking about an extremely important matter. However, the legislation that is going to be introduced is, I suppose, the lowest common denominator that is acceptable to all the provinces. I admit that. We could also say Ontario can take a leading role in this, but the legislation we bring in is as a result of endless conferences, most of them attended by the now Leader of the Opposition and the staff of Treasury, which is still there. I want to make a point of that. I can assure the honourable member the position has been very strongly for the inclusion of indexing.

What Ontario and this government can do in the future, on the basis of that lowest-common-denominator legislation, remains to be seen. These matters are still under discussion.

Mr. Andrewes: As I understand it, the agreement reached between the provinces and the federal government was that various features of the plan did not all have to be uniform.

Can the Treasurer tell this House specifically whether the government of Ontario still supports the principle of inflation protection, which was the position put forward by the previous government in those discussions?

Hon. Mr. Nixon: We feel the pensions ought to have protection built in either directly or with ancillary programs. As the honourable member knows, the pension plan for the public service and teachers' superannuation is a combination of two plans. We have the basic one, which does not have inflation protection built in, and an additional one, which does.

The member, who is an astute critic of Treasury, knows that while the basic plans are in good actuarial shape, the one that deals with the provision of an additional indexing payment suffers from actuarial dislocation, if I may refer to it that way. These matters are certainly under review, and continuing review.

Mr. Rae: Because he is such an assiduous historian of his own ministry, the Treasurer will know what was said in June 1984 by the then Treasurer, who has gone on to much greater things. A newspaper reported: "Ontario will press ahead with plans to partially protect private pensions from the effects of inflation even if other provinces disagree. Grossman vowed to go it alone if no agreement is reached by year's end." In December 1984, he was quoted as saying: "We will still press ahead at some future date, alone if necessary."

Why is the Treasurer simply imitating the Leader of the Opposition and the leader of the Tory party in his craven backsliding when it comes to a question of indexing in the province? The Liberal Party has been on record for a decade on indexing. Why is the Treasurer not prepared to put a policy forward that has the consensus of all three parties of this Legislature and let Ontario take a lead when it comes to pension reform?

Hon. Mr. Nixon: We are continuing to give the matter earnest consideration.

10:30 a.m.

COURT RULING

Mr. Gillies: My question is of the Attorney General regarding the conviction in Brantford last week of one George Harkness on a charge of sexual assault of a nine-year-old child. Is the Attorney General aware that this was the third such conviction registered against Mr. Harkness and that he was sentenced to two years' probation?

Does the Attorney General agree with me and the vast majority of my constituents that this sentence is completely inappropriate for this type of repeat offender? Will he undertake to appeal that sentence on behalf of the crown?

Hon. Mr. Scott: I am not aware of the facts of that case, but we in the ministry conduct reviews of these decisions, particularly decisions of that type. We will undertake to do so and determine whether an appeal should be taken. I will report to the House when that decision has been made.

As the honourable member knows, it is our practice–and it is a good one and fair to the judges–not to make that decision until we have reviewed the judge's reasons for judgement, if any, or a transcript of his oral remarks, and received a report from the crown attorney in charge of the prosecution of the case.

Mr. Gillies: I thank the Attorney General for undertaking to review this. I hope he will do so expeditiously. In doing so, will the Attorney General review the reported remarks by the judge in this case, who, in making his judgement, said:

"Enough people go to jail for sexual assaults that the court can be lenient in some cases. Public

deterrent does not require sending this man to jail because enough other people are jailed for such offences."

Does the Attorney General agree with me that it is nothing short of outrageous for a member of the bench to use that as his rationale for a sentence in this type of offence?

Will he, on behalf of the crown and his government, communicate very clearly to the public of this province that he sees this type of offence as extremely serious and that it will be dealt with by the crown and by the judiciary in an extremely serious fashion in the future?

Hon. Mr. Scott: The member comments that the excerpt that he gave from the judge's reasons is outrageous. I myself would not engage in that kind of judge-bashing.

Interjections.

Hon. Mr. Nixon: When he bashes them, they stay bashed.

Hon. Mr. Scott: I thank the member for that excerpt. That is precisely the reason we try to get a copy of the transcript of the judge's remarks before we make the determination.

I want the member to be assured, because this case comes from his constituency, that we will give very serious consideration to whether an appeal should be taken and report to him in the House.

EMPLOYEE HEALTH AND SAFETY

Mr. Mackenzie: I have a question of the Minister of Labour. Is the minister aware of the sale of four of the Manville Canada plants to Canron Inc., and specifically the sale of the Port Union plant to a company called Manson?

Can the minister tell us why the Energy and Chemical Workers Union is having so much difficulty in getting answers about the protection of pensions for those who have not yet reached the vesting period in their pensions or about the workers who will be kept on by the new purchasers in these plants?

Hon. Mr. Wrye: No, I am not aware, but I will look into the matter. I do not believe the union involved in this matter has been in touch with my office, but I will check immediately and report back to the member.

Mr. Mackenzie: Will the minister also give this House an assurance that this company, which has left such a terrible legacy of wasted lungs and bodies in this city and in this province, will be forced to maintain responsibility for the monitoring of the employees so we can take care of not only existing problems but also future asbestotic and cancer cases that will come out of the employees of Manville Canada?

Hon. Mr. Wrye: I am aware of the serious point the member makes. We will be reviewing this matter thoroughly. What we have had in terms of the number of workers can best be described as a very tragic situation. The Royal Commission on Matters of Health and Safety Arising from the Use of Asbestos in Ontario made specific comment on the situation involving Manville Canada. I will take a look at the whole issue and report back to the member.

Mr. Gillies: The minister has had the royal commission's recommendations for some time. Will he undertake to review specifically the provisions regarding the recipients of workers' compensation benefits and their survivors in the cases of asbestosis, and will he move expeditiously to implement those recommendations, which I am sure he will agree are both fair and reasonable for the people involved?

Hon. Mr. Wrye: As the honourable member knows, a number of the recommendations of the royal commission have already been implemented. In a conversation with the chairman of the Workers' Compensation Board earlier this week, we touched on the matters of the royal commission, particularly as they pertained to the area about which the member has asked questions. I know there is an active review under way, under the direction of the chairman's special assistant, which I believe will be completed shortly.

INSURANCE RATES

Hon. Mr. Kwinter: Yesterday the Leader of the Opposition (Mr. Grossman) and the member for Leeds (Mr. Runciman) both alluded to a commission set up by the previous government to look into various problems in the insurance industry. I replied that I had no knowledge of it, and the member for Leeds issued a press release which stated this was "inexcusable, claiming that Kwinter's ignorance of the insurance area of his ministry has contributed to the present crisis."

I now find, after investigation, that a commission was never established by the previous government. A previous minister did establish a committee to pursue that minister's policy initiative. The matter was not brought forward to me because of the parliamentary convention governing the change of government. For that reason, this matter was never brought forward to me by my officials.

Having said that, I should say to the Leader of the Opposition and to the member for Leeds that, when the committee did meet, it made no

recommendations and it met only twice. It was not terminated by this government on July 4, as the leader and the member said. The terms of reference were exceedingly narrow and had nothing to do with today's problems. The committee was discussing whether to raise the legal minimum level of coverage under standard automobile insurance from $200,000 to $300,000. In both cases, the Leader of the Opposition was wrong and the member for Leeds was wrong.

Mr. McClellan: On a point of order, Mr. Speaker–

Mr. Gillies: This is not a response to a previously asked question.

Mr. Speaker: Order. I shall listen to the point of order. I was going to suggest, however, I feel something like this should have been made as a statement prior to question period.

Mr. Rae: Why did you not stop him?

Mr. Speaker: Order.

Hon. Mr. Peterson: Add some time to the question period.

Mr. Speaker: Order. My suggestion was going to be that. I will add a minute to the question period.

Mr. McClellan: Two minutes.

Mr. Speaker: Order.

MULTICULTURAL POLICY

Mr. Leluk: I have a question for the first Minister of Citizenship and Culture. Given that–

Mr. McClellan: Which one? Name names.

Mr. Leluk: I have to differentiate between the two. Given that neither the minister nor her Premier (Mr. Peterson) will table a Liberal multicultural policy, will she please advise this House why she has her auxiliary minister, the member for Parkdale (Mr. Ruprecht), travelling around the province attempting to put together a report on multiculturalism when she indicated in her ministry's estimates the other day that she sees no need to change the current policy established by the Progressive Conservative government back in 1971?

Hon. Ms. Munro: I indicated in the estimates that policy cannot and should not be changed simply because a new government comes in. Our party is on record as indicating the policy changes we would like to insist on when we are in government. Policy springs from the grass roots. Many of the universal principles espoused and put into place by the Conservative government were direct results of a strong Legislature. I suggest to the honourable member that many of those policies reflected the views of all parties– Liberal, New Democratic and Conservative.

If we are going to change the policy, it will be done as a result of a lot of careful thinking.

10:40 a.m.

Interjections.

Hon. Ms. Munro: That is rather refreshing, I would think.

My colleague the Minister without Portfolio (Mr. Ruprecht) is currently taking on a very responsive movement throughout the province to various centres trying to achieve some feedback that might relate to policy as a result of examining programs and services. He is doing a very good job and the communities are very responsive. That is only one measure by which we would consider introducing policy changes.

We also have interministerial committees, as I have told members. As the Minister of Citizenship and Culture, I am pressing on my cabinet colleagues, and they are most supportive, the necessity of considering multicultural concerns in all phases of our programs and services.

Mr. Speaker: Order. I think that is an ample response.

Mr. Leluk: I was not sure whether the minister referred to her colleague the Minister without Portfolio, but I have a supplementary question to the first minister.

On December 19, I asked her auxiliary minister whether he had any terms of reference for his current study on multiculturalism and how much each of his 21 meetings across this province would cost, including travel and accommodation costs for himself and his ministry officials. I also asked what organizations he would be meeting, whether he had consulted the Ontario Advisory Council on Multiculturalism and Citizenship and when he would be making his multiculturalism report public.

I have yet to receive answers to these questions. Could the first minister provide me with the answers now?

Hon. Ms. Munro: As the honourable member knows, the dialogue process will take place during a number of months. I have every confidence that my colleague will table the information the member requested at the appropriate time. He is in constant contact with me on the kinds of information he is receiving from the communities.

I do not want to pre-empt him by sharing at this time the results of the community dialogue. Let me say that responses are very positive and that

we are listening. I indicated to the member in estimates the other day that listening is a very valid response of this government, especially when we intend to do something with what we hear.

Mr. Grande: Is the minister aware that the Progressive Conservative Party has always used multiculturism and ethnic groups in this province during election campaigns in an exploitive way? Will the minister–

Mr. Timbrell: On a point of order, Mr. Speaker: I understood you to call for a supplementary question, not a political diatribe. That is not a supplementary question.

Mr. Rae: Mr. Speaker, the Tory party is making a very important point. You should consider the degree to which politics should enter into any of our discussions here in the Legislature.

Mr. Speaker: Order. I will admit that the original question referred to some work being done by the parliamentary assistant. Does the honourable member have a supplementary?

Interjections.

Mr. Speaker: Order. Please allow at least me to hear.

Mr. Grande: Is the Minister of Citizenship and Culture aware of the performance of the former government in making major announcements regarding multiculturalism in this province at the beginning of the 1977 election campaign, at the beginning of the 1984 election campaign–

Mr. Speaker: Order. With respect, I do not see how that is supplementary to the question.

DOMESTIC WORKERS

Ms. Gigantes: My question is for the Minister of Labour. For nine years, the situation affecting the work of domestics in this province has been raised time after time in this Legislature. Up to two years ago, the minister himself suggested strongly that the hours of work and overtime pay for domestic workers had to be addressed. What is the delay?

Hon. Mr. Wrye: The delay is that the ministry has not completed addressing it. We have been actively addressing this as recently as approximately a week ago. One of my senior policy assistants met again with the International Coalition to End Domestics' Exploitation. The meetings are ongoing. We expect that once we have concluded addressing it, not only the member but what is more important the domestics in this province will find this government is prepared to move ahead in a way that will be quite satisfactory to them.

Ms. Gigantes: I think the minister misunderstands what we mean by addressing the problem. We do not mean endless chat and meetings. We mean getting some legislation before this House that will provide basic, minimum worker protection for this large group of helpless workers. It is my understanding that in the fall the minister promised Intercede we would have legislation before Christmas. When are we going to have the legislation?

Hon. Mr. Wrye: There is going to be a change in regulation 283, rather than necessarily having legislation, as soon as we are ready to proceed. I assure the member the work in this area is active and ongoing, as it is in a great many other areas. We are attempting to bring this matter forward.

The government believes the situation faced by domestics over the years of the previous government's administration was in many respects unfair and, in a sense, discriminatory compared to that faced by other workers. The specific solutions are still under discussion. We will attempt to move these discussions ahead as quickly as possible.

Mr. Gillies: The minister will know that many domestics are part-time workers and are among the vast pool of part-time labourers in the province that does not, for the most part, have benefits or pensions. When will the minister move on the issue of prorated benefits and pension plans for part-time workers where such schemes are in place for the full-time workers?

Hon. Mr. Wrye: I am not sure that is a supplementary question. The matter of pensions and benefits for domestics is part of the review.

HIGHWAY EXTENSION

Mr. Shymko: My question is for the Minister of Transportation and Communications and concerns the southerly extension of Highway 400. As he will recall, that was an important issue in the municipal election. It continues today to be an important issue, instilling fear and concern among residents of west Toronto, particularly in High Park-Swansea, because of its unanswered state.

Will the minister go on record, as our former government did in 1975, by stating categorically there will be no funding by this government for such an extension or for any future proposals for an extension of Highway 400?

Hon. Mr. Fulton: I thank the member for his question. Only this morning, I was flying over

that area with CFRB taking a look at that and at a number of other opportunities or challenges. To answer the member's question, we have no immediate plans–we have no plans to fund the southerly extension of Highway 400.

10:50 a.m.

Mr. Shymko: Instead of flying around, the minister should listen to the statements by Metro Roads Commissioner Sam Cass, who said it is only a question of funding from the province, as well as statements made by the mayor of York who said on January 29, 1985, that what he wants to see is a road such as Décarie Boulevard in Montreal, a six-lane throughway, going down Parkside Drive to the Gardiner Expressway. These are statements made by a prominent municipal official and the Metro roads commissioner.

Has the ministry met with Metro and discussed such proposals, particularly those related to the commissioner's statements and those of the mayor of York, so these fears are dispelled?

Hon. Mr. Fulton: In the absence of the roadway, I felt it was appropriate to fly over the location this morning.

With great respect to the Metro roads commissioner, he does not speak for this government. I meet on a regular basis with Metro Chairman Flynn. I have not met with Mr. Cass on this issue or on any other since I left Metro council.

Mr. Rae: Since Black Creek Drive ends in York South at Weston Road, is the minister prepared to make a categorical statement to Mr. Flynn? Quite apart from the remarks made by Mayor Tonks and Sam Cass, it is Dennis Flynn who has set the momentum again for an extension of Highway 400 by saying he has a task force going with respect to northwest Metro.

Is the minister prepared to state categorically on behalf of the government to Metro Chairman Flynn that there is no funding for another superhighway in Metropolitan Toronto; that there will be no more expressways in the west end of Toronto funded by the provincial government? Is the minister prepared to make that statement? If not, why not?

Hon. Mr. Fulton: The member is aware that Mr. Flynn was addressing the needs of the northwest section of Metropolitan Toronto and was not specifically addressing Black Creek Drive or any other roadway. Mr. Flynn is aware of the position of this government that we are not funding any expressways in Metropolitan Toronto.

ELECTROSHOCK THERAPY

Mr. Reville: My question is for the Minister of Health. I am sure he shares my concern that physicians have administered 40,000 electroshock treatments to the brains of Ontario residents since the then Minister of Health, the Honourable Keith Norton, appointed Mr. Clark to review the matter.

Will the minister share with the House today his plans for the review and possible implementation of the recommendations of the report of the Electro-convulsive Therapy Review Committee?

Hon. Mr. Elston: I spoke recently with the member about the report. Nothing has been finalized although, as I indicated to him privately yesterday, we have indications we will have people in place to review the report in the next two weeks. On the release of the report and its provisions to the public, I gave it to the groups concerned about its tardiness earlier than is normally the case because I felt it was necessary to get it out.

We ourselves have not yet finished our overall examination or review of the report. As I told the member yesterday–and my position has not changed–in the next couple of weeks we will be able to be more specific about how we analyse the results of the report.

Mr. Reville: I commend the minister for tabling the report so quickly after he received it, but I would like him to assure the House that, in view of the fact at least one of the groups, the Ontario Coalition to Stop Electroshock, is concerned about possible biases the authors of the report may have, he will make sure to include that particular group in his consultations about the recommendations included in the report.

Hon. Mr. Elston: Members of my ministry and I are looking for objective reviews of the report's findings. I know the group that held the press conference yesterday has a particular point of view and that will be taken into account. I can also tell members I have received a number of letters that are to some degree in opposition to the point of view expressed yesterday by that group. They are from people who have received the treatment and who feel it not only was of assistance but also actually saved their lives.

When we review the report, we have to keep in mind not only the information from the group that held its press conference yesterday but also the feelings and findings of individuals in this province who feel the treatment was not only of benefit but also of a life-saving nature to them. We will include the thoughts and concerns of the

group that had its press conference yesterday, but it will not be the exclusive group we will receive input from when we review this material.

Mr. Pope: When will the minister make his final decision? What will the date be?

Hon. Mr. Elston: We have not finished the review of the report. All I can say is that in the next couple of weeks we will be giving information on how we propose to do the examination. As I indicated, we released the report about December 17.

Mr. Pope: Just say when.

Hon. Mr. Elston: I do not know because we have not finished our review of the report, but it may be that–

Mr. Breaugh: Say "in the fullness of time."

Hon. Mr. Elston: It may not be that full. The member for Cochrane South (Mr. Pope) may be indicating that he would like to know when his resumé needs to be submitted to the Minister of Health so he can help spearhead the review. If that is the case, I will be pleased to receive his resumé and will examine it.

Very seriously, this report has been long awaited. It was originally scheduled to be brought in last October. There were logistical problems that caused its delay. We are working as quickly as we can because we recognize the serious nature of the concerns expressed by the member for Riverdale (Mr. Reville). We will be moving as quickly as we can. I hope we will have more information within the next couple of weeks.

ASSISTED HOUSING

Mr. Guindon: My question is for the Minister of Housing. Cornwall is suffering from an acute shortage of assisted housing and the mushrooming waiting list is now at a critical stage. Figures released to me last month from the Cornwall and Area Housing Authority show that for the month of November the authority managed to place only 16 seniors, families and physically handicapped persons. There are currently 416 applications on the active priority list. Of these, there are 233 with more than 120 points who require immediate housing.

Is the minister going to provide immediate housing relief for the people of Cornwall and area?

Hon. Mr. Curling: As time goes on, the member will hear more and more about the things we inherited. As soon as our programs are in place, there will be less and less of this situation. The program we have in place will address those issues. Many areas of Ontario show an acute shortage of affordable housing for people who need proper accommodation. We are directing our efforts to adjusting those problems.

Mr. Guindon: Cornwall has the highest number of families waiting for assisted housing in the entire province.

Mr. Rae: They got there after May 2.

Mr. Guindon: I was not the member last time. It has the highest number of senior citizens on the waiting list in all eastern Ontario. Only 27 units were added in 1984 to the provincial convert-to-rent program. Cornwall needs about 400 units now to solve this desperate situation. Where does the minister expect 154 seniors to be housed for the rest of the winter or for all of next year?

Hon. Mr. Curling: I cannot believe what I am hearing. It sounds as if the situation were created about three months ago. This was an accumulation of neglect on the part of the previous government. The member stands there and asks me how I am going to resolve it in this very short time. We will address this matter in a much more effective way, and on a long-term basis, than the previous government did in the past.

11 a.m.

Mr. McClellan: I will be charitable and just ask a question. The minister announced a very ambitious housing supply program in December, which is the first provincial program we have had since 1978. Can the minister tell us whether he is now in a position to receive proposal calls from municipal nonprofit and co-operative nonprofit housing developers?

Hon. Mr. Curling: I thank the member very much for the question. In a very short time, we will be receiving–

Mr. McClellan: When?

Hon. Mr. Curling: By the end of this month.

SUSPENSION OF STUDENT

Mr. Allen: I have a question for the Minister of Education, who will recall that in early December I put a question to him and that he was investigating the case of Jake Jamieson, a native Indian student. He is a member of a family that belongs to the traditional longhouse religion. He was suspended, either formally or informally, depending upon the story–it is difficult to get entirely to the heart of some of it–for refusing to stand for the singing of O Canada in his school. Will the minister inform the House what he has discovered in that case and what he has done with respect to it?

Hon. Mr. Conway: I want to thank the honourable member for drawing that matter to my attention. I have completed the investigation. I have prepared some correspondence, which I have signed and directed to his attention.

As the member knows, the regulations under the Education Act permit a student to withdraw from any part of the opening exercises. That should have happened in the situation to which the honourable member makes reference. We have notified the school authorities in the area and also taken the additional measure of notifying, through a memorandum, all directors of education in Ontario precisely what the law and the practice have been in this province for 40 years. We expect that practice and law will be followed.

I can assure the member his concern has been addressed and I am quite confident the matter to which he has directed our attention will not occur again.

Mr. Allen: I think it is most important that the minister, through his directive, has stated quite clearly that in an Ontario committed to freedom of religion and primacy of conscience a forced conscience is of no benefit to our community, our province or our country.

Has he also satisfied himself that the professional training of every teacher in this province includes the study of the characteristic beliefs of religious minorities that impact upon the educational practice of teachers in Ontario, and can he assure us no principal is ever appointed to a school unless he has some demonstrated understanding of the minorities in his school district?

Hon. Mr. Conway: In recognition of the growing multicultural and pluralistic nature of our Ontario, I am very determined that the educational leadership in this province will continue in the 1980s and 1990s to do what it has done in the past, and that is to properly and sensitively reflect that reality. I am confident that is being done.

I want to assure the member, whose sensitivity and own feeling on this subject I respect very greatly, that this is going to be something that will be positively reinforced, not just through the memorandum that has been sent from my office to the directors of education, but through other initiatives I am undertaking, such as the provincial conference on race and ethnocultural relations which will be held in Toronto in a couple of months' time.

I agree absolutely with the member and I reflect the view of the Premier (Mr. Peterson) and leader of this government that we must in very sensitive areas such as education ensure in all respects that the pluralism and the multicultural strength and reality of Ontario in the latter part of the 20th century is not just recognized but nurtured and respected in all regards.

VISITORS

Mr. Andrewes: On a point of order, Mr. Speaker: I am sure members would want to welcome to the House today His Worship Jim Marino, Lord Mayor of Niagara-on-the-Lake, who is seated in the government members' gallery; and Kevin Ashe, a former government employee, now trustee of the Durham Region Roman Catholic Separate School Board.

MOTION

COMMITTEE SITTING

Hon. Mr. Nixon moved that the standing committee on the Ombudsman be authorized to meet following routine proceedings on Monday, January 13, 1986.

Motion agreed to.

ORDERS OF THE DAY

THIRD READINGS

The following bills were given third reading on motion:

Bill 43, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund;

Bill 44, An Act to amend the Small Business Development Corporations Act.

House in committee of supply.

ESTIMATES, MINISTRY OF NORTHERN DEVELOPMENT AND MINES

Hon. Mr. Fontaine: I am pleased to present the 1985-86 estimates of the Ministry of Northern Development and Mines.

I should explain that these estimates reflect only the northern development side of the ministry, or what was the former Ministry of Northern Affairs. Naturally, I inherited many commitments already made when I assumed the portfolio in June.

I will be addressing the mines and minerals responsibilities of my portfolio in these remarks and I will be prepared to answer any questions in this area. However, since the printed estimates of the Ministry of Natural Resources–

Mr. Wildman: On a point of order, Mr. Chairman: I am sorry to interrupt the minister,

but I wonder whether he has a copy of his opening statement for the critics.

Mr. Chairman: I think it is coming.

Hon. Mr. Fontaine: The House leaders have agreed that the actual votes will take place during the review of the ministry on the mines issue.

In many ways, the presentation of these estimates is a turning point for me, for this government and for the north. This is my first portfolio as a cabinet minister. There is a new government at Queen's Park and we have a new ministry for the north with a new mandate for the economic and social development of northern Ontario.

Je suis un nouveau à Queen's Park, mais je ne suis pas un nouveau dans la vie publique ou dans la vie politique. En tant qu'ancien maire de Hearst et homme d'affaires, j'ai beaucoup d'expérience en négociation et en raccordement des intérêts divergents. Je sais aussi ce qu'il faut faire pour rencontrer la paie de ses employés. Et surtout, comme j'ai passé ma vie dans la région du Nord, je crois bien comprendre les réalités de la vie dans le Nord de l'Ontario.

La vie dans le Nord de l'Ontario est très différente de celle du Sud. Je pense que c'est là le point principal que les habitants du Nord essaient de faire comprendre aux autres citoyens de la province.

11:10 a.m.

The north is different in its size, its history, its cultural makeup, its climate, its geography and its economic character. Half of Ontario's natives and a third of its francophones live in northern Ontario. Almost one third of Ontario's municipalities with populations under 2,500 are located in the north. Many of these are communities dependent on the extraction or harvesting of a single resource for their livelihood.

The north's mining and forest industries account for more than $7 billion annually in production and more than 30 per cent of Ontario's exports. However, the north's dependence on these resources means its economy is a fragile one. It is affected not only by world market shifts in the value of the mineral and forest products commodities it produces, but also by basic natural factors such as the quality and quantity of these resources. In the case of timber, the dangers are overharvesting, fire, insects, disease and, more recently, the threat of trade barriers.

Today the north is a region in transition. Growth in demand for its mineral resources has declined along with its share of the world market for such metals as nickel, zinc and copper. Many countries compete in the export market for sales of pulp and paper and other wood products. In the case of many commodities, such as iron ore, not only is the north's share of the pie shrinking, but the pie itself is getting smaller.

At the same time, pressure to remain competitive in the metals and forest products markets has forced the north's mills and mines to improve productivity. The result has been a loss of jobs and a reduction in economic benefits to the region. Nevertheless, these industries have succeeded in moderating employment losses to some extent while maintaining their share of the markets in which they compete.

More than 30 per cent of the north's work force is in the resource industries. More than 70 per cent of the region's manufacturing jobs depend on them. In recent years, the cyclical nature of these industries has been worsened by world market trends, namely, falling prices and reduced demand.

The north was hit very hard by the recession. In 1980 the unemployment rate in northeastern Ontario was eight per cent. By 1984 this had almost doubled to 14.9 per cent. If one figures in the increase in the welfare rolls, one will be surprised because it is more than 14.9 per cent. In the northwest during the same period, the rate jumped from 7.2 per cent to 9.4 per cent. However, unemployment rates do not tell the whole story. The welfare costs to municipalities have increased dramatically. That is why we should take the two together, and then one would be surprised. I am sure it would be close to 18 per cent.

Only about 60 per cent of the north's population is now in the labour force. That is not because the people do not like to work; it is because the continuing lack of jobs discourages many from trying to get work. From my own experience, I know northern people are hard workers. They are independent and entrepreneurial and they want to stay in the region. They will not move away from the north unless there is no alternative.

However, it increasingly appears that our young people are moving away. The 1981 census showed the smallest five-year increase in population in the north since the Second World War. Current figures show this trend is continuing. As the number of young people in the north declines, we are seeing an increasing proportion of elderly people. These demographic changes are placing increased demands on our health and social services.

Northerners are more and more unwilling to accept as normal the economic uncertainties produced by the boom-and-bust cycles common to resource economies. They rightly demand greater economic stability and diversification, such as that enjoyed in the southern part of the province.

Voilà la situation dont j'ai hérité en tant que ministre du Développement du Nord et des Mines. Il serait facile d'être pessimiste à propos des moyens qu'on a pour effectuer de vrais changements, mais nous croyons justement qu'il y a des moyens efficaces et de nouvelles approches possibles pour fortifier l'économie du Nord.

Depuis que nous sommes au pouvoir, nous avons fait de nombreux plaidoyers encourageant le développement du Nord. Nous avons dit que nous ouvririons de nouvelles avenues à la participation du public. Notre engagement repose sur la pleine participation des gens et des citoyens du Nord, de sorte qu'ils aient aussi leur mot à dire.

Pour cela, nous voulons agir de concert avec les gens concernés par les décisions qui seront prises. Le gouvernement mettra l'emphase sur la création d'une nouvelle richesse dans le Nord de l'Ontario. Il nous faut créer de nouvelles ouvertures économiques et prendre encore bien soin de protéger celles qui existent déjà.

Comme je l'ai indiqué plus tôt, le Nord génère une grande partie de la richesse de l'Ontario. Le gros défi est celui de trouver de nouveaux moyens de retenir une plus grande partie de cette richesse dans le Nord. Pour cela, il faut fortifier et encourager les industries en place, spécialement celles qui utilisent des ressources de base et des matières premières et qui constituent l'épine dorsale de l'économie du Nord. En même temps, il faut prendre des initiatives qui vont nous permettre de diversifier notre économie autour de ces industries de base.

In our policy platform we stated our intention to encourage mining in Ontario. To do that, we created a new ministry with specific responsibilities for that area.

We stressed the importance of first-class health care for all. We followed through with a plan to provide assistance to northerners for medically necessary travel. We will guard against any drop in services and any threat to equal access to basic health services for those who need them.

We announced changes in the budget to help small business in the north. Increased incentive grants and reduced threshold capital requirements under the small business development program should help to promote new business in the north. We also created the cabinet committee on northern development and the five-year, $100-million development fund. All of these areas are of critical importance to the north. We have taken on the responsibility of addressing any issues that traditionally have been either unheard or misunderstood.

Many of these issues were addressed by the Royal Commission on the Northern Environment, headed by Mr. Fahlgren. As members know, I have already reported to the House on the review process for this report. I want to emphasize that the government does not view the report's recommendations as requiring immediate "yes," "no" or "maybe" answers.

In the first place, many of its recommendations have already received attention in current programs. For example, an independent audit of Ontario's forest resource inventory is already under way by Dr. Baskerville.

Mr. Wildman: The minister does not really believe that.

Hon. Mr. Fontaine: I believe it because I checked yesterday, and it is not that bad. We are going to discuss that later.

As well, a new policy regarding the provision of Ontario crown land and access to resources in the Nishnawbe-Aski nation was recently announced. I will have more to say on this theme later. The creation of a separate ministry for mines was a recommendation of the Fahlgren report, and the creation of regional development councils certainly addresses a recommendation in the report for more public participation in policy-making for the north.

In the second place, many other recommendations must be considered in the larger context of northern development, and they will be.

Notre gouvernement reconnaît le caractère unique et spécial du Nord de l'Ontario. J'ai déjà fait part à la Chambre de certaines de nos actions passées, entre autres la formation du Comité ministériel sur le développement du Nord et le Comité pour les communautés dépendantes d'une ressource. Des initiatives toutes nouvelles seront communiquées à la Chambre dans les prochains mois.

J'aimerais aborder maintenant la question des initiatives spécifiques dont le gouvernement actuel est l'auteur.

Tout d'abord, nous sommes en train de mettre en place un nouveau ministère consacré tout spécialement au Nord. En novembre, le nom est passé de ministère des Affaires du Nord à celui de

ministère du Développement du Nord et des Mines, nom qui met l'emphase sur le développement du Nord et le développement minier.

Le transfert de ces responsibilités minières, qui faisaient partie intégrante du ministère des Richesses naturelles, n'est pas facile. Mais les discussions que j'ai pu avoir jusqu'à maintenant avec les représentants des diverses industries m'ont prouvé la pertinence de ce changement, puisqu'il a été très bien accueilli par eux.

Le personnel de mon ministère et celui du ministère des Richesses naturelles ont travaillé très fort pour tout mettre en place lors du passage entre nos mains des nouvelles responsabilités, passage qui se fera de manière officielle le premier avril prochain.

En décembre, j'ai annoncé la mise en place d'une nouvelle Division des mines et des minerais, dirigée par un sous-ministre adjoint. À partir du premier avril, nous aurons une nouvelle Division sur le développement minéralogique en place pour le Nord-Ouest de l'Ontario, avec un bureau-chef à Kenora, et un autre pour le Nord-Est à Timmins.

11:20 a.m.

As part of these changes, the assistant deputy minister for northern development will move from Kenora to Thunder Bay. He will be very heavily involved with the deputy minister and myself in developing new initiatives. The Thunder Bay location is much better in terms of accessibility to northerners and my access to him. I can assure members, however, that the Kenora or Rainy River region will continue to be well served by the ministry. We intend to do better not only for Kenora and Rainy River but also for everywhere in the north.

Le changement de nom du ministère n'est pas seulement un symbole. Ce n'est que le premier pas d'un gouvernement déterminé à créer une focalisation toute spéciale sur le développement du Nord et une voix délibérément engagée à l'intérieur du Cabinet à s'occuper de plus en plus fortement de l'industrie minière. Nous voyons l'industrie minière comme l'industrie de l'avenir. En fait, elle est déjà l'une des pierres angulaires de l'économie du Nord et de celle de l'Ontario.

An important initiative announced with the creation of the new ministry was the establishment of a cabinet committee on northern development. This committee, of which I am chairman, will be an important part of the process I described earlier in allowing northerners more opportunities to affect the decision-making process.

The committee will meet periodically to review new ideas and initiatives for economic development in the north. I will be taking its members north from time to time so they may gain a better understanding of the region and to allow the people of the north to make their views known to the highest level of government.

Membership in the committee includes the Minister of Natural Resources (Mr. Kerrio), the Minister of Industry, Trade and Technology (Mr. O'Neil), the Minister of Tourism and Recreation (Mr. Eakins), the Minister of Skills Development (Mr. Sorbara), the Minister of Agriculture and Food (Mr. Riddell) and the Attorney General (Mr. Scott). Other ministers will participate depending on the subject under discussion.

The cabinet committee on northern development will also advise on the $100-million northern development fund. With these new moneys in my ministry budget, the government will be able to pursue special opportunities in support of job creation in the north. These initiatives are the first steps by the new government to demonstrate its commitment to the economic and social development of northern Ontario, but more is needed.

As we enter a new year, it is time to take a fresh look at the challenges I described earlier. As a new administration, we want to do this in a way that avoids ad hoc, piecemeal approaches. We must get away from parochial, localized development and start working together as a region. For me, the region is the entire north. Most important, we have to recognize the challenges that face the north are fundamentally economic in nature. We must deal with them accordingly.

I have talked about some initiatives of the new government. Now I will describe some of the specific programs or projects developed by my ministry. If we are to provide a broader and more effective basis for government action in the north, we must develop mechanisms that will allow this to happen.

One of the ways we will do this is by establishing eight or nine regional development councils, with one or more for the more remote areas north of the 51st parallel. These councils will advise me, the cabinet committee on northern development and other ministries, as appropriate, on regional economic issues, opportunities and concerns. They will act as a sounding board, providing feedback on the potential impact of proposed new government policies, programs and initiatives.

They will provide input from a regional perspective, but will not replace or duplicate the

efforts of other organizations in the north that are providing advice from a sectoral perspective. By focusing and distilling input from different groups, the RDCs will provide a more effective mechanism for targeting growth opportunities at the regional and subregional levels.

With the establishment of these councils, the current municipal advisory committees will be phased out. However, representatives of the various municipalities will still have an opportunity to participate in the RDCs and through other existing municipal organizations. The councils will also have representation from labour, business, education and major economic sectors.

Part of the philosophy behind the establishment of these councils is to reduce the red tape and give more clout to northerners. We are trying hard to cut down the shouting distance to Queen's Park.

Mr. Wildman: Is the minister going to get rid of red ties too?

Hon. Mr. Fontaine: Yes.

Another step we have taken to give northerners more control over their own economy is the creation of the committee on resource-dependent communities. The committee, under the chairmanship of Bob Rosehart, president of Lakehead University, will examine the whole phenomenon of single-resource-industry communities and examine options to deal with their special circumstances.

It is important we all understand that the life of a mine is finite and that its wealth will be exhausted some day. Similarly, there is no certainty that a pulp and paper or lumber mill can continue in operation for ever. The committee will report to me on practices that appear to work for other jurisdictions. It is a difficult challenge, but one that must be addressed for the north.

I have described some of the philosophy and approaches we are bringing to bear on our new responsibilities. Now I would like to explain how these affect key parts of my ministry's mandate.

Premièrement, examinons de près le cas de l'industrie minière, qui est vue par le gouvernement actuel comme une industrie d'une importance critique au bien-être de la province en général et du Nord en particulier.

Mining development in the province has been caught by declining world prices for metals. The outlook for metals other than gold, silver and platinum is not encouraging. Some of the base metals may never regain their prominence. However, finds like the Hemlo discoveries have been a real shot in the arm for that part of the north and the province. Gold is still the bright spot in mineral production in Ontario. At the end of 1985, its value of production for the year was around $500 million. Obviously, we need more Hemlos.

Mining has always been a cyclical industry. However, its ups and downs have been particularly pronounced over the past few years. Neither the industry itself nor the government can do much to flatten out these hills and valleys.

The mineral industry has been taking steps to remain competitive in world markets and to improve its productivity. Government too has an interest in a strong mineral industry. We are planning a number of policy and program changes to support this important industry and to attract new development and investment in this sector.

A major issue is the mining tax structure under Ontario's Mining Tax Act. The present graduated tax structure places some heavy burdens on a cyclical industry. In the recent budget, the government proposed new legislation for a flat mining tax. Discussions are continuing with the industry and others on ways and means of encouraging investment in exploration and processing in Ontario.

The Ministry of Northern Development and Mines will also examine, with the help of the industry, ways to improve the financing climate for Ontario's junior mining companies. The recent introduction of the Canadian over-the-counter automated trading system for reporting trading in unlisted securities is a welcome step in the right direction.

I am also very interested in an industry proposal to simplify prospectus applications and reduce the costs of securing venture capital.

I am aware that changes in the Mining Act are also high on the list of the industry's priorities. Bill 29 had its first reading last spring after a review period of 14 years. That is a long time to wait for anything. Of course, as a new government, we had to take a fresh look at the act. We had to take into account all the interests that will be affected by changes to it.

We are having discussions with the industry about this important piece of legislation. These discussions are very helpful to me and strengthen my view that the industry and the province are ready for more modern legislation in this area, legislation that reflects the realities of the 1980s in this province.

Both the industry and this government would rather do it right and not hurry through something that might not be the best we can produce. So many changes seem to be required, it might be

better to let Bill 29 die on Orders and Notices and introduce new legislation early in the next session.

11:30 a.m.

I am also aware that there is some concern about the regulations governing ore processing in Canada. I understand many companies would prefer that these regulations be forgotten. However, our intention is to encourage increased processing of our ores in Canada. We will not be doing this in a heavy-handed fashion. Rather, we will examine each request exemption having regard for the impact on jobs in Ontario and on the economy as a whole. The government intends to deal with each situation in a fair and reasonable manner.

There is also increased interest in having more complete and usable mineral data available for public use. My staff will be working closely with industry and our own field offices to increase the access and improve the usefulness of our files on mineral statistics, economics and geoscience information. We are also examining ways to improve our databases so that when a question is asked, we will be able to come up with an answer tailored specifically to the user's requirements.

Our aim is to improve access to information relevant to the minerals industry and thus improve and promote the mineral development opportunities that exist in this province.

The Ontario geological survey of the new mines and minerals division of my ministry has long provided geoscience information to those interested in the mineral potential of this province. It has an excellent reputation in its field, and we will be looking to the OGS to develop new initiatives designed to stimulate regional or community development opportunities connected with mining.

The recently signed Canada-Ontario mineral development agreement is another co-operative venture to assist the mineral industry. The agreement will allow new geological information to be obtained around communities in high-mineral-potential areas. It will also improve access to ministry mineral information files and assist the growth of Ontario's industrial minerals industry.

Mr. Davis: On a point of order, Mr. Chairman: I believe there is no quorum.

Mr. Chairman ordered the bells rung.

11:36 a.m.

Hon. Mr. Fontaine: Under the agreement, we intend to work co-operatively with mining companies to develop information to improve their efficiency and productivity.

The Ministry of Northern Development and Mines also intends to continue providing direct support for mineral exploration. This is something we currently do through the Ontario mineral exploration program. OMEP has levered private sector expenditures of more than $30 million in fiscal year 1984-85 at a cost to government of $6.4 million. We know this program can be improved, and we intend to undertake a major review at an early date. There will be extensive consultation with the industry and other interested parties.

It is interesting to note that the Hemlo discoveries were made by three junior mining companies. Junior mining, although an important element in new mining discoveries, has gone into relative decline in Ontario. Clearly, any support we can give to this part of the industry is going to encourage future exploration and, we hope, lead to more success stories.

It is my intention to see that mining has a higher and more positive profile in this province. It is important that the general public be made aware of the value of mining to our economy. They should understand that mining is a large industry with unique problems, operating in an environment quite different from that affecting industries in the rest of the province. They should also understand how important the industry is as a generator of wealth for this province and jobs in the north.

My ministry has overall responsibility for Ontario's mining interests, and we take that responsibility very seriously, but now I would like to look at other areas of interest. Some are the line responsibility of other ministries, but the Ministry of Northern Development and Mines is involved in many areas because of their importance in northern Ontario.

Interjections.

Hon. Mr. Fontaine: They are very interested. Whether or not they are going to talk, they want to talk. Ring the bells again, Mr. Chairman, to make them shut up for a while.

Le rôle de mon ministère est de s'assurer que le Nord reçoit la portion des avantages sociaux et économiques qui lui revient. Voici comment nous définissons notre rôle et cette priorité:

Nous devons agir en tant qu'avocat et coordonnateur de certaines activités, en utilisant la persuasion lorsque cela est nécessaire et lorsque nous estimons que certaines actions doivent avoir lieu;

Il nous faut subventionner la partie restante des programmes et des services de toute première importance pour les gens du Nord;

Il nous faut aussi subventionner pleinement certains programmes où, sans notre implication directe, les communautés du Nord ne verraient pas leurs besoins satisfaits.

11:40 a.m.

Je fus frappé du fait que le comité en place sur les affaires en procédure croyait que dans plusieurs situations, la planification et la mise en place de programmes gouvernementaux ou de services dans le Nord reposaient sur le précepte que les problèmes du Nord sont les mêmes que les problèmes du Sud, de sorte que mon ministère prend position vis-à-vis de cette perspective en défendant une nouvelle approche aux problèmes spécifiques du Nord, tout en trouvant des solutions pour la résolution de ceux-ci.

Le secteur des transports est un secteur de l'activité où mon ministère détient une responsabilité majeure. Quatre-vingt-dix pour cent du territoire de l'Ontario est constitué par le Nord. L'importance des voies de transport est donc capitale sur une si grande étendue de terrain. Nous essayons de satisfaire ces besoins d'infrastructure à travers notre programme des transports dans le Nord. Ce programme comprend à la fois les routes, les services aériens et les services maritimes de la Commission de transport du Nord de l'Ontario, qui est rattachée à notre ministère.

Un réseau routier adéquat est au centre du développement social et économique dans le Nord. Le montant alloué pour les routes du Nord par le ministère prend une large part de notre budget. Cela est dû au climat rigoureux et au terrain accidenté du Nord, qui causent toutes sortes de détériorations du système routier. Il résulte de cela une foule de réparations et de constructions de nouvelles routes qui doivent être opérées. C'est une grande priorité.

Mon ministère fournit les subventions et établit les priorités relatives à l'amélioration et à l'aménagement de nouvelles routes dans le réseau routier du Nord. Le ministère des Transports et des Communications s'occupe des plans et de la mise en chantier.

Plusieurs variables doivent être prises en considération lorsqu'il faut prévoir les besoins futurs en matière de transports. L'approche du gouvernement est de revoir les structures existantes et d'encourager la participation du public lors des propositions de changement.

Dans le domaine des routes, du transport ferroviaire, maritime et du transport aérien, le but premier du ministère est d'offrir un niveau adéquat de services pour les habitants du Nord, car nous avons un bon jugement de ce que doit être le rôle de l'industrie privée dans le Nord. Nous avons aussi en vue les nouvelles politiques et les changements de celles-ci par le gouvernement fédéral en matière de transport.

The Ontario Northland Transportation Commission is a major player in the north's transportation system. We have begun with the ONTC a comprehensive and objective review of its role and responsibilities. This will lead to recommendations and proposals for providing the most efficient service possible. We are looking at maintaining and improving air, rail, ferry and bus services, recognizing the importance of working with the private sector.

We are currently reviewing options for improving air service in northern Ontario, including the deployment of the Dash-8. In this review, we are taking into account the recommendations of the task force on northwest Dash-8 service. We are considering such matters as subsidy levels and compatibility with other norOntair services as well as those provided by the private sector. Any recommendations will recognize the importance this government places on maintaining high-quality local and feeder air services for northern Ontario.

Next, I would like to draw the attention of members to tourism. Many consider it to be the growth industry of the future. To quote the standing committee on procedural affairs, however, "What appears to be lacking is a concentrated and co-ordinated effort by the government of Ontario, in conjunction with the people of Ontario, to devise a tourist strategy." I agree strongly with this, as I am sure does my colleague the Minister of Tourism and Recreation.

Tourism will be an important topic on the agenda of our regional development councils. The world tourism industry is growing fast and we vow to make sure Ontario increases its market share. To do that, the industry has to keep pace with the market shifts and ensure a quality experience for visitors. Tourist demands are changing and the industry is having to change too. Tourism approaches that were acceptable in the 1950s, 1960s and 1970s may not be adequate in the 1980s and 1990s.

I am aware that the Ministry of Tourism and Recreation has prime responsiblity for tourism in Ontario as a whole, but my ministry has a role in supporting its northern efforts. That is because tourism, important as it is for Ontario as a whole, is especially important for the north. Any

industry that provides direct and indirect employment for 42,000 people and total annual incomes of nearly $1 billion must be taken seriously. When those figures apply to a region traditionally dependent on mining and forestry, one has to pay attention.

Our approach to tourism will be in line with the consultative philosophy of this government. Throughout the north there are many players on the tourism stage and we want to hear from them all.

A major priority is getting some basic standards in the areas of signage and travel information. We intend to work closely with the Ministry of Natural Resources, the Ministry of Transportation and Communications and the Ministry of Tourism and Recreation to develop a better system of informing the traveller. At present, signage in the north differs from community to community. Visitors to the north sometimes have real difficulty getting the information they need. What we need is some uniformity, while maintaining a sense of community.

In the area of tourist information centres, there is much to be done. There is a need for a more co-ordinated approach to make them more effective, more visible and more useful.

We have to find ways of drawing more people to the north and persuading them to stay there a little longer. We may have to put more walkways around natural waterfalls and more viewing areas overlooking our magnificent canyons, and provide better access to our natural attractions. It may mean building more trail signs or interpretive areas to identify the local flora and fauna or Indian rock paintings.

In addition, the northern Ontario regional development program is available to assist tourist operators to develop or expand their marketing programs. This provides valuable support to a part of the industries made up of many private, individual groups.

Le ministère prête aussi assistance aux efforts de mise en marché du Nord en renforçant la présence du Nord lors des salons ou des expositions sportives ayant rapport avec les voyages touristiques, en créant des brochures et des pamphlets et aussi à travers l'organisme l'Ontario à l'heure du Nord. Nous allons nous appuyer sur les chances de développement industriel lorsque nous allons concentrer nos efforts.

La clé du tourisme dans le Nord consiste à maximiser le potentiel économique de la région, à reconnaître que ses atouts sont ses grands espaces, son air pur et son eau pure et, bien sûr, sa beauté naturelle. De manière évidente, le tourisme peut assurément contribuer de manière significative à la croissance dans le Nord.

The issues of adequate health care, social services and education are high among my ministry's concerns. Working closely with the responsible ministries, we are looking at more effective ways of providing better access to these services in the north.

In some small communities, an ageing population and a shortage of medical professionals has been a problem. Providing services to these areas is both difficult and expensive. For example, the north has about one third the number of specialists per person as the rest of the province, so there is a major imbalance to be corrected.

Unless facilities in these smaller centres are of the highest level, specialists are difficult to attract. They have preferred the better-equipped hospitals and clinics in the south. Substantial strides have been made to improve this situation but there is still a long way to go. Until facilities and incentives are improved, this trend will go unchecked to the detriment of the people of the north.

One of this government's recent initiatives is providing medical travel assistance for those in northern communities. This is evidence of our belief that all northerners are entitled to financial assistance where they have to travel more than 300 kilometres one way from their home for special medical care.

Another major concern is the provision of more community-based public health services. As a ministry we are supporting a number of new projects, including extended care facilities in smaller centres for seniors who can no longer live in their homes. These are being funded through the extended care capital assistance program, EldCap.

11:50 a.m.

Under this program, facilities are already under construction in Atikokan and Dryden. Others are planned for Geraldton, Rainy River, Sioux Lookout, Matheson and Smooth Rock Falls. Construction on all of these is expected to begin during the next three years.

Since I have been in office, I have approved funding for EldCap facilities in Wawa, Blind River and Hornepayne. I am also looking for early approval of the Chapleau facility.

Mr. Pierce: What about the northwest?

Hon. Mr. Fontaine: Look at the other list. It is going to be in the next year or so.

Mr. Pierce: No, this year.

Hon. Mr. Fontaine: The member knows it is coming. He should not argue on this one. These were bypassed for four years; that is the reason I have to give them. Look at the record.

We also support a Ministry of Health plan to fund a group of about 50 specialists who will be given an incentive to work in the north, travel the region and serve the special needs of the people. The idea is to enable northerners to receive specialized care without having to travel.

These are all sorely needed initiatives towards improving health care services in northern Ontario.

Dans le domaine de l'éducation, nous continuons de voir aux besoins du Nord en collaboration avec le ministère de l'Éducation. Le programme EduCap du ministère, qui offre des subventions aux écoles isolées dans le Nord, entre maintenant dans sa troisième année, et il sera bientôt révisé.

Les autres dispositions dont nous discutons avec nos collègues du ministère de l'Éducation sont celles des coopératives et de l'éducation à distance.

Personnellement, j'encourage les efforts de nos deux universités du Nord pour développer des programmes d'éducation appropriés au Nord et aux communautés diverses et présentes dans toute son étendue.

Mr. Wildman: How?

Hon. Mr. Fontaine: With money.

A related concern is the need for skills development and employment opportunity programs for northern youth. In this regard, we welcomed the announcement of the Ontario Futures program by my colleague the Minister of Skills Development. Our two ministries are co-operating in ensuring that the delivery of this program in the north is done effectively.

I would now like to look at agriculture in the north. My ministry is very much aware of the difficulties facing farmers: an oversupply of some commodities, depressed prices and farm credit. But there is room for optimism. Northern Ontario has the potential to become self-sufficient in certain crops and could even become an exporter.

It may surprise many to know that average yield per acre for cool-weather crops such as alfalfa, oats and barley is greater in the north than in other more traditional agricultural areas of the province. Timiskaming, for example, is approaching self-sufficiency in these crops and is looking closely at export markets. Expansion will have to be approached cautiously and selectively, however, given the present overproduction of some commodities.

My ministry will continue to support the five-year, $10-million AgriNorth program jointly funded with the Ministry of Agriculture and Food. It is a very worthwhile program and there have already been advances in the areas of new technology, grain and forage production, district development initiatives and marketing studies. Government assistance with grain handling and storage systems has helped farmers market their grain at a time of the year when the best prices can be realized.

However, with the present income crisis in agriculture, we are examining AgriNorth with a view to making it as sensitive as possible to the present needs of the industry in the north.

Wild rice is an area with potential for expanding output to the benefit of the native population and the people of Ontario as a whole. Several areas in the north are ideal for cultivation. To assist further development, we are continuing to support research being carried out at Lakehead University in Thunder Bay. At the same time, we must look towards ensuring future commercial viability of this important crop.

We are working closely with native groups and the ministries of Natural Resources and Agriculture and Food to see what is needed to stimulate development of the wild rice industry. My staff and I have been in contact with three native groups to discuss expanding the industry in a way that is beneficial to their communities. It is unsettling to watch the prairie provinces and parts of the United States forge ahead in producing crops when the potential is so great in northern Ontario.

Wild rice is only one area of opportunity for the north's natives. We are very concerned about the native people of northern Ontario being given every chance to take part in the economic and social development of the region.

Recently, my colleagues the Minister of Natural Resources and the Attorney General announced a new approach for Indian reserves within the Nishnawbe-Aski nation. For decades, natives in the north have had too little control over their economic future. Now they have a chance to become more self-reliant, more economically self-sufficient and, through their own efforts, initiate activities to create jobs for native people.

I intend to use part of the northern development fund to provide financial assistance for native economic development activities.

I am confident this special assistance, together with this new government's other initiatives, will lead to improved long-term employment opportunities for the native people of northern Ontario and bring long-awaited social and economic progress.

In conclusion, I want to stress that my ministry's agenda for the north seeks to provide a solid future for all its people; a future where the economic, industrial and social wellbeing is not always at the mercy of world market trends or political shuffles; a future where the north can continue to grow and contribute to this province.

Mr. Bernier: At the outset, may I point out how pleased I am to participate in the examination of the estimates of this new ministry. I just got my mind around the new name of the ministry so we will start with that. The speech the minister delivered this morning is one that could have been delivered back in 1983 or 1984. I sense the same speechwriters who wrote his speech wrote mine. I think the action we took was much more positive than what I heard in his remarks this morning.

I am pleased–and I will go into this in detail before my remarks are over–when I hear the minister refer to programs that we initiated, such as the Dash-8 program and the EduCap and AgriNorth programs which are still in place. The EldCap program is going to be expanded. The northern Ontario regional development program is still there. He is very supportive of these programs we brought in. There is not one new program in the 27 or 28 pages of rhetoric this morning.

We are disappointed–and I am sure the members on this side of the House will agree with me–with the lack of initiative and new boldness that we thought would come from this government that sat on these benches for 42 years.

I had the opportunity of hearing the Liberal critic for six or seven years expounding at great length about how terrible these programs were; how ineffective EduCap and AgriNorth would be; that the EldCap program was not working; that Nordev was a giveaway program and it should not be proceeded with. We heard that from his side of the House, and I am most pleased that the minister today has embraced those programs with enthusiasm and is charging forward to create a new quality of life in northern Ontario.

At the outset, I want to again congratulate the minister on his appointment. I do not have to remind him of the onerous responsibilities he has. He is the only government member north of Renfrew North; that is more than 90 per cent of the area for which he has to be responsible and to which he directs the affairs of his cabinet and his government.

I sense–and I will talk about this in the hours that will follow–his clout is not as strong as some people say it is. The amount of money he has been able to bring to his ministry is actually reduced from last year. We do not see anything in supplementary estimates, but we will get to that.

12 noon

The minister has a tremendous amount of work to do with respect to bringing the needs of northern Ontario forward to his cabinet colleagues. He will find that since 90 per cent of that cabinet is made up of southern Ontario members, their priorities will be brought forward ahead of his. He will need all the support and the muscle he can bring to that table to get his fair share, which is an increased share.

The minister can talk all he wants about studies, committees, reviews and co-operation, but if he does not have the bucks, he will have no clout. I say to the minister with sincerity that he has to have the money because money is clout. I urge him to impress that on his cabinet colleagues, particularly on the Treasurer (Mr. Nixon). I say in passing that I have watched the members of cabinet over the past several months and they are not northern-oriented. There is no question about that. Therefore, the minister's problems are going to be compounded.

I want to express my congratulations to the new deputy minister. I have not had an opportunity to meet him and I regret that the minister did not recognize him in his opening remarks. He is new to Ontario. I understand he comes from the major leagues in Ottawa and has moved to the minor leagues here. However, he comes with high credentials. I look forward to working closely with him. I know the influence and direction a deputy minister can give and bring to a ministry.

I want to direct a few remarks to the minister and the deputy with respect to the ministry itself. They have now been in power for some seven or eight months. As I travel in northern Ontario, I sense a decline in morale in the ministry. The Ministry of Northern Affairs was formed in 1977. We brought together in that ministry some of the finest people this government had in the civil service. They are knowledgeable about northern Ontario, sensitive to and conscious of what is going on there. They want to be part of the decision-making process and can provide the

minister with a tremendous amount of information.

The deputy and the minister should not close their doors to their staff. They are available to them. The doors should be left open, as I and all the deputies in the Ministry of Northern Affairs used to do. It is a small ministry; it is not large. The minister cannot run a one-man show over there. He needs their help and support. They have the background, experience and knowledge to assist him in his future endeavours.

I know the minister is sincere in his efforts to do greater things for northern Ontario. However, I will say to him what his staff cannot say to him, and I am hearing it right across northern Ontario. The minister's doors are closed. It is a one-man show. He brought 10 new people into his office. One cannot get through to them. They ignore everybody else in the ministry. I plead with the minister in the interests of all of us who live in northern Ontario to take the staff into his confidence, open the doors and make them part of the ministry.

The minister does not have all the brains, clout and answers. As I said earlier, those civil servants are the finest people ever brought together in one ministry. I was extremely proud of them, and I am today, as I was in the past seven years. As one who was there and worked closely with what I know to be an excellent staff, I leave that bit of advice with the minister. I plead with the minister to use them to his maximum benefit and to the maximum benefit of all of us who live in northern Ontario. I am sure he will be pleasantly surprised at what he can achieve with their utmost co-operation.

When I was there, the staff did not work for me; it worked with me. In his new and sensitive role, and I understand he is a compassionate and sincere man, I leave that thought with him, because the staff of his ministry cannot express that point of view to him and I wanted to do it on their behalf.

I want to touch briefly on some of the general points in the minister's remarks. I have a number of specific questions I would like to leave with the minister and put in Orders and Notices, which maybe his staff could answer by the time we finish the examination of his ministry's estimates.

I am pleased we will be able to cover all aspects of the ministry, on which I am sure the critic for the third party will agree, and that the final votes will be taken at the end of the estimates period. We are in full and total agreement with that thrust.

I want to touch on a couple of items first before I get into my formal remarks. One is the recent establishment of the cabinet committee the minister announced about a week ago, the setting up of a committee to look at the problems of single-industry communities in northern Ontario. He brought into his confidence a member of the New Democratic Party, a member of our own political party and one in the Liberal Party to work with a very able chairman, Dr. Bob Rosehart of Lakehead University. It is an excellent committee.

The thrust is in the right direction, but I say it will fail. When one looks at the terms of reference, this committee has taken on the tremendous responsibility of looking in a three-month period at single-industry communities, their problems today and where they can go in the future. That is impossible, especially when the minister says in his terms of reference the committee is to visit other provinces and other countries.

I really think that is good, but if he is sincere and wants to do something for single-industry communities, I suggest he take back that order in council and bring back a new one, making it a select committee of the Legislature, possibly having the same members of this House on it, to do exactly the same thing but reporting to the Legislature, not to the Minister of Northern Development and Mines who has, for all intents and purposes, muzzled the other two political parties by putting them on this committee. They will report to the minister and he in his wisdom will accept or reject their recommendations or take them to cabinet.

In all honesty, I like the thrust. The minister is sincere in his desire to do something for single-industry communities, but if he really wants to go the whole country mile, there are studies within this government, as members will know. The library is full of studies with respect to the future of single-industry communities, done by every political party in this House, by the governments of the last 10 years and the federal government. A committee was set up between the federal government and Ontario to look at single-industry communities. This issue has come up at every national conference of ministers of northern affairs for the last several years.

It is a major issue. I urge the minister to rethink his position, go back to his cabinet colleagues and say he wants to make it worth while and not just a smoke-and-mirror thing, not something that will be glossed over in three months, but

something that has teeth and that will come forward with some positive recommendations.

With all due respect, the third party has been pushing this issue for a number of years. I sat on the other side of the House and grappled with it. It is not an easy one. The minister will not resolve it in a three-month period. I leave that suggestion with him.

Also, in his remarks the minister made some comments with respect to his awareness of what transportation means to northern Ontario and noted that the future of economic development is closely tied to a good transportation network–highways, rail and air services.

In the course of my formal remarks, I will question the amount of extra dollars he received for the enthusiasm he displayed in his opening remarks. I do not see them there. As I said earlier, without extra dollars the things he and I want to see happen in northern Ontario will not happen. I return to my basic suggestion that he should go back to the Treasurer and get an increase in the size of his budget.

12:10 p.m.

There is the question of the report of the standing committee on procedural affairs and agencies, boards and commissions, released a day or two ago, relating to Minaki Lodge, Old Fort William and the James Bay Educational Centre. I am sure the minister is aware of this since the centre is in his riding.

I am concerned about some of the comments made by the committee with respect to the number of visitations.

Mr. Wildman: It is an all-party committee.

Mr. Bernier: It is an all-party committee, but I do not think its members were totally agreed on the total content of the report. The recommendations were agreed to, but the general comments were not, as I am sure the minister will agree.

One comment was that there were not enough ministers visiting northern Ontario. I have seen the Minister of Northern Development and Mines and many of his cabinet colleagues moving all across the north. In our government, I had a cabinet minister in northern Ontario every month. During the 14 years I was in cabinet, I did not go a month without having a cabinet minister visit some part of northern Ontario. We made an effort to put assistant deputy ministers in the north, at Kenora–the minister has changed that, and I will get to that–at Thunder Bay and at Sault Ste. Marie, and regional directors in every part of northern Ontario. Seventy per cent of the Ministry of Northern Affairs was located in northern Ontario.

That comment came from members of the procedural affairs committee, some of whom had visited certain parts of northern Ontario for the first time. As I said to the Canadian Broadcasting Corp. yesterday morning, I got the feeling as I read the report that some of those members felt they had found a new world; for the first time they had visited northern Ontario. Some of those members are on my side of the House too.

The government in office now does visit northern Ontario on a regular basis, as did our government. There was a massive movement of ministerial people right across the north, visiting on a regular basis. I am glad the minister mentioned that he will move members of the Legislature into northern Ontario. That is where the weakness comes, and that kind of movement is needed. The ignorance of members of this House with respect to the problems of northern Ontario is hard to understand. It is hard to believe they are not knowledgeable about what is happening in the north.

The comments about Minaki Lodge irritate me. The minister made some comments about tourism. He knows tourism will be the number one industry by the year 2000. He also knows the private sector would never have developed Minaki Lodge. Sure, it was a risk. The government was backed into it. We did not go into it wanting to be in the resort business. Let us be honest. We were pushed into the business. We took it. We had faith in the industry and in the area, and the government put up the $23 million.

It was not the $50 million the Premier (Mr. Peterson) keeps talking about in a very irresponsible way. Maybe he did not mislead the House, but he acts very irresponsibly when he keeps talking about a $50-million public expenditure and, on the other hand, keeps saying it has no sale value. To me, it is very irresponsible for the Premier to say that when $23 million was spent.

Mr. Epp: What would the member buy it for?

Mr. Bernier: Has my friend visited Minaki Lodge? I urge him to do so. That is a typical southern Ontario comment. Because a project is 1,250 miles away, it is like a project in Halifax, Nova Scotia. That is the distance Minaki Lodge is from Toronto; it is the same distance as from Toronto to Halifax, Nova Scotia. The members on the government side have no interest in Halifax, Nova Scotia, and they have no interest in Kenora because it is that far away.

Minaki Lodge was not developed for the Toronto or southern Ontario markets. It was developed for the western Canada and mid-US markets.

Mr. Epp: How much would the member pay for it?

Mr. Bernier: I am not a buyer, but I can tell my friend we have four buyers already.

Mr. Epp: At $50 million?

Mr. Bernier: Not at $50 million; that is not what was spent to develop Minaki Lodge.

The minister in his sanctimonious way made reference this morning to tourism and how much it means to northern Ontario: the 42,000 jobs tourism takes in, the economic activity and what it does for the economy right across the north. He supports tourism. Our government did too. It did it by showing faith in that area. To the northwest, the Lake of the Woods area is as Muskoka is to southern Ontario: it is the tourist mecca of that vast area.

A lodge the size of Minaki required a major infusion of capital dollars. The private sector is not prepared to put those kinds of dollars in because of the risk. It is up to government to put up that kind of money when there is a risk factor. The government of which I was part had faith in that area and in that industry.

Mr. Epp: Would the member do it again?

Mr. Bernier: If the same situation occurred, yes.

Mr. Epp: The member would do it again.

Mr. Bernier: Do not be irresponsible now. If you want to interject, be responsible.

That $23 million was spent on refurbishing the lodge. It was spent using northwestern Ontario contractors, labour and materials. To listen to some of these people in the House, one would think the $23 million was shipped off to the moon. It was spent in northern Ontario. It created economic activity and jobs for two and a half years. It was spent right there.

Now we have a facility that is a success story. One cannot get into Minaki Lodge.

Mr. McGuigan: I cannot afford to get in. A farmer like myself cannot afford it.

Mr. Pierce: Does the member know what it costs to stay there? Does he know what it costs to spend a night in Minaki? It costs $80. It costs that much to stay in a hotel.

Mr. McGuigan: How much does it cost to get there?

Mr. Bernier: It will show a profit this year. The occupancy rate last year alone was over 85 per cent. I dare any member to try to get into Minaki Lodge in the summertime. One cannot get in because it is booked solid. It is a success story. It is the tourist mecca of northwestern Ontario. I hope the ministers of this government will take the time to spend some time at Minaki Lodge and see how beautiful it is.

It is a world-class facility. It brings $3 million to $4 million into the economy and creates 212 jobs. Is there any difference between putting $35 million into a pulp and paper mill and guaranteeing jobs there and putting $23 million into a facility that will create jobs and support and provide an industry in that area? The honourable member is losing sight of that. That is why more members of this Legislature should visit northern Ontario. I commend the minister for making that comment in his opening remarks.

Now that I have that off my chest, I will go into my formal remarks. Before I do that, I want to touch on the health travel plan to which the minister made reference and which he is pleased has been announced. I am certainly pleased the government has seen fit to bring in a program to assist those people who will require travel assistance, which is something for which we have been pressing for some considerable time.

We were on the verge of bringing in a much sweeter and more efficient program, answering the needs of northerners. The minister can stand in his place and take all kinds of credit for this program, but I think he fails to understand that the 20,000 people in the immediate Kenora area have been denied access to it because they are within the 300-kilometre area from Manitoba. They will not get one cent. Those 20,000 people on the Ontario-Manitoba border will not qualify for any assistance under this program. As a northern minister, he should know that and lean on the Minister of Health (Mr. Elston) to correct that discrepancy.

We discussed it during the estimates of the Ministry of Health. My colleague the member for Lake Nipigon (Mr. Pouliot) was there also, and we went to great length to point out to the Minister of Health the weaknesses in the program. All he would say was that the program was coming in and the government might review it some day.

I urge the minister, as one who has overall responsibility for northern Ontario, to look at that program very carefully. I hope he is aware that the first $75 is taken out and must be paid by the patient. That does not show up anywhere in the brochures; it is a hidden cost. People have to pay the first $75. Our program paid everything and it was upfront money. I leave that thought with the minister in his discussions with the Minister of Health to correct the problems that will surface in that program, because they are real problems and

will affect so many people in the northwest region of this province.

12:20 p.m.

In dealing with this ministry I am still a little confused about what the name really is. I understand that, as of about a month ago, it will be officially called the Ministry of Northern Development and Mines.

When the ministry was formed back in 1977, its mandate was to co-ordinate government activities and to initiate policies and programs from which all northerners could benefit. It was created to stimulate soundly based economic development and diversification right across northern Ontario. I am sure the members present will agree the ministry has been very successful with this mandate.

I hope the new minister will build on the solid foundation the staff of his ministry has laid right across northern Ontario. Let us work to ensure that programs and services available in the south will be equalled in northern Ontario. As the minister correctly pointed out in his comments, there is still a lot of work to do. I am glad we share that sentiment.

It will also increase the awareness and the appreciation of the north by creating closer tie-ins with the rest of the province. When I look at Ontario North Now, it is a simple example of how we can better relate to and better inform and educate those people living in southern Ontario.

Nevertheless, I believe the ministry's mandate began to erode the day this new government took office. If one travels around northern Ontario, one will sense that very strong feeling. The minister should not shrug his shoulders and shake his head.

I know he goes into these small communities and gets a little audience of 25 or 30 people. He is all excited. He is new in politics. The people are there to see what this guy looks like and to hear him. However, he should send somebody back a day or two after he leaves to hear the comments they have made. I wonder how many times he gets invited back. That first brush is nice. I know politics; we have been through it. The minister should not take what they say to his face as being correct, but rather should listen to other people. The ministry's mandate is being eroded.

I am sure the members will be interested to hear the several areas of concern I have about this ministry's mandate. None the less, as I said earlier, I am a little dismayed at the lack of any new and bold initiatives, which this government was supposed to offer to the people of northern Ontario. No new policy thrusts have been given. There has been no change. I cannot see any difference from the former ministry, quite frankly.

I followed the minister across northern Ontario right after the election as he said how great things were going to be and made all those grandiose statements. He was going to do everything. In some of the communities I went to, they referred to him as Rambo of the north, doing all these things. He is pulling back a little bit now. He is being a little more careful with some of his comments.

It appears the minister has backed off from giving the people a definite statement. Consequently, this government does not have enough confidence in itself to launch what it feels is a good northern Ontario policy. I was looking forward to seeing something different from what we had in the former government.

Mr. Wildman: So were we.

Mr. Bernier: The Liberals have the New Democratic Party with them now–

Hon. Mr. Fontaine: I am cleaning up after the member. After that, I will have mine in.

Mr. Bernier: Okay. I hope the minister keeps a note.

The Liberal Party used to believe those policies in the past were so negative towards northern Ontario needs, but this government seems to believe that perhaps the previous government's policies were not so bad after all. Consequently, as a minister in the previous government, I find it difficult to criticize something I established. It is difficult to criticize Nordev, AgriNorth, EduCap and EldCap. The minister has not brought forward anything I can get my teeth into. The whole thrust is what I am concerned about and not the specific programs.

During the past election campaign, the official opposition of the day proclaimed many programs for the north which it believed would elevate northerners from their supposed colonial status, as the now Premier calls it, but I do not see any here in the minister's statement.

I repeat that the mandate of the ministry began to erode the day this government took office, and the few initiatives the government did dare to undertake will be useless to the people of northern Ontario. For example, the estimates I have before me show the budget for the ministry going from approximately $159 million in 1984-85 to $163 million planned for 1985-86. That represents an increase of only about $4.3 million.

Mr. Haggerty: No fire trucks.

Mr. Bernier: I hope there are going to be fire trucks. I hope he has not killed that program.

If the ministry plans to be a real Ministry of Northern Development and Mines, how does the minister plan to cover the increased expenditures he will be requiring for the mines part of his portfolio?

Hon. Mr. Fontaine: It is coming.

Mr. Bernier: It is coming? We will have that. That is good to hear.

While I am speaking about mines, I want to take this opportunity to congratulate the new assistant deputy minister. I am sorry the minister has not seen fit to recognize his staff. I know Dennis Tieman will do a super job in that position. He was my financial administrator for a number of years. I do not know whether he is here.

Mr. Wildman: He left.

Hon. Mr. Fontaine: They are loyal to me.

Mr. Bernier: That is right, and the least the minister could have done was recognize him as being elevated to a very important post as assistant deputy minister for mines. I hope the minister makes sure he is firmly located in the town of Kenora.

Mr. Wildman: This is a kiss of death.

Mr. Bernier: Anyway, we will hear more about the mines funding at a later date.

I realize that in percentage comparisons of spending in the gross provincial outflow, the budget of this ministry has actually decreased. In other words, in the total budget of the province, comparing last year and this year, what the ministry is getting is down.

For 1984-85, the outflow amounts to about $27 billion, while the ministry's expenditures amounted to about $159 million, or about 0.59 per cent of the total outflow. For 1985-86, however, the total outflow amounts to about $33 billion and the projected expenditures of this ministry are $163 million, which represents 0.5 per cent of this fiscal year's total outflow.

As members can see, this minister and this ministry are receiving less of the pie. I say to him again that bucks are real clout. He has to go back to the Treasurer and come here with some more money. We are prepared to look at supplementary estimates. I am sure my colleagues in the third party will support me in any expenditures the minister can get for northern Ontario.

I have to wonder how this government intends to keep its commitment to northern Ontario. I hope this decrease is not the beginning of a trend to a lesser commitment to northern Ontario. That is the fear I have. Once they start down the slippery slope of a reduced budget, then each year they will keep nipping away at it and the minister will end up with a much smaller budget in the years ahead. I flag that for the minister in a very helpful way. If he takes our arguments to the Treasurer, I am sure the members of the New Democratic Party will agree with me.

Moreover, the mandate of this ministry has also been very confused because of the naming problems this government seems to have with it. I have noticed a few sign changes on 10 Wellesley Street. There have been a number of sign changes. In fact, I think there are two names there now.

Hon. Mr. Fontaine: They are in French now.

Mr. Bernier: French, yes; but they are new, different and very confusing.

I do not want to remind the government members of the names they proposed during the recent election campaign, but since they seem to be a bit mind-boggled over this problem, I will refresh their memories. I am sure the minister will remember that during the campaign, this minister and this government proposed to form a new ministry, to be called the Ministry of Northern Development and Native Affairs. Does the minister remember that?

Hon. Mr. Fontaine: Yes; now it is mines.

Mr. Bernier: He remembers that distinctly. The mines were to be a separate portfolio of responsibility. I totally agree with that thrust with respect to mines. I tried to do it myself when I was in government. I commend the Liberal Party for going in the direction of setting up a separate ministry of mines, but that has not happened.

12:30 p.m.

First, we had the Ministry of Northern Affairs. When the minister took over in July, he changed it to the Ministry of Northern Affairs and Mines. There was a big hullabaloo and a big swearing-in ceremony. There was a new thrust, a mines portfolio that was supposed to be separate but now was tied in with the Ministry of Northern Affairs.

We had a new name, the Ministry of Northern Affairs and Mines. However, that was not to be there long, because the minister wanted to shake the Northern Affairs label that is right across the north. He said to the Sudbury paper: "Every time I go up north I hear Northern Affairs. All they think of is Bernier, Bernier, Bernier. We have to get rid of that."

For that simple partisan reason, he had to change the name from Northern Affairs and

Mines to Northern Development and Mines. There was another swearing-in ceremony, another waste of the taxpayers' dollar. There was no new funding and no new programs; there was just a change of name.

There was also a change in the name of the Hearst airport. Let us talk about that. I was shocked to hear that the minister would allow his name to go on an airport that he had nothing to do with and that was 80 per cent paid for by the province. He was in power for two months and he got a local airport named after him. I think he has a thing about names.

Mrs. Marland: Is it perhaps because he has died?

Mr. Bernier: No; he is still here. He has a thing about names.

Anyway, we now have a Ministry of Northern Development and Mines. The thing that bothers me is that the original election thrust was that there would be a native affairs branch of the ministry. I thought that was a good idea, and I thought he was sincere in making that comment. I still think he is sincere, but I wonder what happened along the road. The native affairs branch was thrown out. It is not there any more. It is with the Attorney General.

The minister was sincere as a northerner and wanted to do something for the native people; he wanted it as part of his ministry. However, as soon as he came down to Toronto and met with his southern Ontario colleagues, there was no way he was going to have a native affairs branch. That went out the window. I am a little nervous about the clout the minister has with respect to dealing with his cabinet colleagues.

The playing with names has created much confusion in northern Ontario. The general feeling there is that the government does not know what it is doing, that it is ignorant of the north's needs and that there is no solid commitment to northern Ontario. I believe there is a growing perception that this government does not care about the north and would rather cater to southern Ontario, where most of its members are.

I quote from an editorial in the Thunder Bay Times-News, which strongly criticized the name-changing exercise this ministry went through.

"In the first years of operation, the staff of the Ministry of Northern Affairs has tried to work very closely with the people of northern Ontario to identify and then to begin work on priorities for the development of the north."

It goes on to say, at the end of the editorial:

"The final straw would come, though, if the Liberals were to make good on an election promise to rename the department the Ministry of Northern Development and Native Affairs. In Ottawa, one David Crombie is Minister of Indian Affairs and Northern Development."

It is just the names changed. It would be interesting if the minister would look at that. I hope this is the last name change for the ministry. I hope that we can get used to the Ministry of Northern Development and Mines and that the minister will not come back in six months and say it should be Northern Affairs.

On that point, I hope the minister keeps the northern affairs branch in place. Perhaps he wants to play around with the ministry's name for partisan reasons, but he should give serious consideration to maintaining the northern affairs branch because the senior citizens of northern Ontario know the 29 northern affairs officers. They are the Ombudsmen of northern Ontario; they will stay in place.

Hon. Mr. Fontaine: There are 31.

Mr. Bernier: There are 31, but they will stay as northern affairs officers. The minister will not change their name. He will not take their signs away. He will let the people know he is not changing them to information officers. They will be northern affairs officers.

It is very important to the people of northern Ontario that they retain that identity. They have built that credibility across the north. They have done it with a lot of hard work. I urge the minister to retain that branch and to maintain that name, with which we have all become very familiar and of which we are supportive.

I want to touch on the Liberal-NDP accord. I am sure the member from the New Democratic Party will refer to it in his remarks. In document 2 of that accord, I remind the minister, there are several proposals for action regarding the north which he supposedly must implement during this first session or in the first two years.

One of the proposals is to establish an inquiry into the gasoline price differential between the north and the south. It is interesting that should be in the accord. When the Treasurer brought forward a gasoline tax increase, who supported that gasoline tax increase for northern Ontario? It was the New Democratic Party and the Liberal Party.

Mr. Wildman: That is not true. We forced the Treasurer to withdraw it.

Mr. Bernier: I am a little confused. On the one hand, they make an accord to look at the differential, but two or three weeks later they

agree to a tax increase. It is hard to follow these people over here. I hope the minister can bring us up to date on this study on the differential and when we can see something come forward.

In that accord–no, I think it was in the Liberal policy statement–the Liberal Party agreed to equalize the price of milk right across Ontario. I will have something to say about that later.

Hon. Mr. Fontaine: It is coming for milk.

Mr. Bernier: It is coming? Okay.

I want to touch on the Fahlgren report. I am pleased the minister made some slight reference to it. I impress upon him the urgency of getting on and dealing with the 129 recommendations Mr. Fahlgren made. I publicly supported the overall thrust of Mr. Fahlgren's report. I think the involvement of more northerners in the decision-making process is the route we should go, and I am pleased the minister agrees with that.

The minister made reference to some of the actions that have been already taken, but they are not enough. They are just a few, and time is going on. He has had the report since August. He has been studying it. His staff has been looking at it. It has been within the government. They are not new recommendations. We have heard about them in this House time and again. We have all made them; so they are not difficult recommendations.

We should get on with them, because what has happened in the Red Lake-Ear Falls area is of great concern to me. We have a mine that is going down and 250 employees who will lose their jobs as of April 1, 1986. The town of Ear Falls will lose 50 per cent of its municipal taxation base. We cannot get anybody else interested. There are about 18 years of economic ore left in that mine, but because of the iron ore glut in the world today and the high transportation costs, it is uneconomical and it is being phased out.

It is important that we look at the 19,000 square miles the Reed Paper Co. had under its memorandum of understanding to work with our native people, because they have to be involved, and to come up with a plan to get on with some forestry activity in that area. The Red Lake-Ear Falls area does need and is entitled to a forest industry of some sort. I am not saying what it should be. I was involved in the memorandum of understanding with the Reed Paper Co. We were looking at a pulp mill in that area.

There are a number of different things and the minister is very–

Mr. Wildman: That is what led to the formation of the Royal Commission on the Northern Environment.

Mr. Bernier: That is right. The minister is more familiar with the forest industry than I am. He could give some direction as to what type of industry should be established in the Red Lake-Ear Falls area.

As long as we have the recommendations of the Fahlgren commission sitting there and not being dealt with in a broad, general way, with the involvement of the local communities and of the native people, nothing will happen. The minister is holding up development. He is holding these people up to ransom because he is sitting on this report. I urge him and his staff to get on with it and to come forward with some recommendations and responses.

12:40 p.m.

The Northwestern Ontario Associated Chambers of Commerce is meeting in Atikokan on January 19 and 20 to look at the recommendations and to give the minister some direction and assistance as to where it thinks he should be going. It will be looking at it from its perspective, and I am hopeful we will have some of our own members there. The member for Rainy River (Mr. Pierce) will be attending, possibly as the minister's single-industry-community representative.

However, they will be there and working on it. They are anxious to get on and deal with it, because it is an expensive report. I defended the report. It took a number of years. I think Mr. Fahlgren has excelled what Patrick Hartt ever did in the two years he was there. We do not hear any mention of that. At least Mr. Fahlgren dealt with the issues in a very positive, straightforward, understandable way. It is now up to us, as decision-makers, to get on with it and answer the needs, particularly of those native people living in that vast area of northern Ontario.

I want to turn now to tourism. The minister made some comments in his opening remarks with regard to tourism.

"While tourism is important to Ontario as a whole, its significance is magnified in the northern regions of the province. Tourism is a huge industry with great opportunities for employment; it also has limitless potential. By its very nature, it helps overcome regional disparities within our own province. Its value, therefore, to certain remote areas of northern Ontario makes it without a doubt one of our most promising industries for the future of the north."

This quote is taken from a Liberal research document. That is where I found it. I agree with it. There is no question about it. I urge the minister to go back to his Liberal policies, dust

them off and get some directions from the policies they had established when they were in opposition. I am sure we all agree it is ironic the government is not moving in this area.

As I said earlier, the Royal Commission on the Northern Environment concludes that, of all the possible economic activities in the north, tourism has the greatest potential. I am sure members all agree that tourism in the north could be its number one industry by the year 2000. However, with the scant policies of this government towards it, I hardly believe this opportunity will be a reality for this vast area of ours.

There are a few reasons this should be a priority. First, I would like to know if this government plans to create a tourism development board for Ontario, which, in turn, could help to promote the attractions of northern Ontario.

I would point out to the minister that when I was there, we were in the throes of finalizing plans for a major northern Ontario tourist seminar in Thunder Bay which would have brought together all the various people related to tourism, all those who depend on it, be they gas station operators, hotel, motel or tourist operators, tour guides or transportation people; everybody would have been brought to that major seminar in order to give us a new strategy, a new focus and a new 10-year direction for developing tourism in northern Ontario.

I would like to know why the minister cancelled that. The Northern Ontario Tourist Outfitters Association people were on board, the steering committee had been established, it was moving ahead, the terms of reference were in place. It should have gone ahead. Just because we changed governments did not mean it would not serve a useful purpose. However, it was scrubbed. There was no explanation; it was just cancelled. I hope it was not for partisan reasons. I believe that seminar would have given the minister some great advice and possibly some new direction with regard to an expanded and broadened tourist industry.

Hon. Mr. Fontaine: It is coming.

Mr. Bernier: Is it coming? Okay.

While on the topic of cancelled initiatives to promote tourism in northern Ontario, I would also be glad to hear the minister's explanation for not going ahead with the national northern affairs ministers' conference in Minaki. That is an annual event that takes place right across this country. The input and knowledge one gains by meeting with one's counterparts is invaluable and I would urge the minister to reactivate that.

I realize he was new on the scene. It may have been difficult for him to get his arms around the ministry in that short time, but I would urge him to host that conference next year. Go to Minaki. Show the people of the rest of Canada what Minaki is all about. I am sure the minister will be impressed, too. I urge him to pick up where I left off, hold that national conference and share with his counterparts some of his problems. The advice I received in the exchange was most beneficial and I think the minister will find it so too.

I do not know whether the minister can do this, but I was particularly concerned about the $13-million cut in the budget for the Ministry of Tourism and Recreation and I wondered whether this ministry would make up the difference lost by that ministry for tourism in northern Ontario. The $13-million reduction in that small tourism budget will have definite effects on northern Ontario, so I wonder whether he is going to pick up that slack.

Taxes have been substantially increased by this government's budget brought down on October 24, 1985. Personal income taxes, liquor and wine taxes, beer taxes and various motor fuel taxes have all gone up. I am having trouble understanding these tax increases. I distinctly remember the Liberal Party's criticisms last year of the former government's taxation policies. To quote from that party's research document again, "One of the underlying reasons for this is that the sector," that is tourism, "is overtaxed and therefore overpriced." That is a comment the tourism critic made to us just a year ago.

Mr. Wildman: They did cut the sales tax on $1 meals.

Mr. Bernier: Big deal. One cannot even buy a hamburger for a buck.

It is interesting to read the estimates from last year, when the Liberal critic for Tourism and Recreation, who is now that portfolio's minister, greatly emphasized what he saw as the overtaxing of tourism in this province and said because of this Ontario was losing its competitive edge in the industry.

Therefore, because of this ministry's apparent inability to realize the importance of tourism for the northern economy and because of the Minister of Tourism and Recreation's apparent inability to maintain his budget and to protect the tourism industry from dreaded tax increases, I am wondering if these ministries have a lack of clout in the cabinet decisions which directly affect their portfolios.

That seems to be coming out. There are some big boys in that cabinet who are scooping all the bucks and this minister is not being heard. I do not know how we and the New Democratic Party can help him along the route to having more clout with his cabinet colleagues.

Hon. Mr. Fontaine: That is my problem.

Mr. Bernier: I know it is the minister's problem, but it affects all of us in northern Ontario.

Hon. Mr. Fontaine: Do not worry about it.

Mr. Bernier: I am worrying about it. The minister has not shown any direction yet. Nothing has happened to change my mind.

Could the minister inform me of the status of the municipal information kiosks that are being put up in various centres in northern Ontario such as Sturgeon Falls, Nipigon, Shabaqua and Kirkland Lake? Possibly he could do that in his response.

Is the ministry studying the possibility of implementing a policy to ensure that the application of property taxes to northern Ontario residents is more fairly based on the seasonal nature of their operation? This is something we have talked about many times.

I would also like to know if this ministry will provide for the stimulation and funding for the modernization of small northern resorts, to increase Northern Ontario Development Corp. loans, as was promised. Specifically, are there plans to broaden capital assistance for these smaller resorts?

With respect to the accommodation tax, I am glad the government decided to extend indefinitely the five per cent tax rebate to out-of-province visitors, but I would be very glad if this rebate applied to Ontarians too. I believe this would encourage them further to visit northern Ontario.

Finally, I would like to talk about Ontario North Now. I am disappointed the minister did not make reference to it in his comments. It is one of the flagships of northern promotion in southern Ontario. I do not know if he is in favour of it, but it is in place and it is doing its job.

I would like to know if the minister has given any consideration to the request of the Northwestern Ontario Associated Chambers of Commerce that funding go to assist the 16 or so northern municipalities that come to Ontario North Now each year. It is getting more expensive each year for those municipalities to come down here to sell their communities in what is a very valuable selling experience. They need some financial assistance. I am sure if they were given $5,000 or $10,000 each, it would not upset the ministry's budget but it would assist them to promote northern Ontario in southern Ontario.

12:50 p.m.

I would also like the minister to provide us with information on the plans he has scheduled for Ontario North Now. Has he any new plans for Ontario North Now this summer? Is he going to make any new expenditures? Will there be any new thrusts? In his response, he might want to tell us how successful Ontario North Now was last year, after the major expenditure we made and the major expenditure made by Ontario Place. I hear rumours that it was substantial but I do not have any figures. I look forward to receiving that information when the minister responds.

In connection with transportation, the minister made some mention in his opening statement of its importance. As I said earlier in my remarks, it is related to the Treasury's policies, and I am glad the Treasurer is here to listen to the estimates of this ministry. As I have been pointing out, this ministry has had a reduction in its budget. I would hope the Treasurer, in his wisdom, would see fit to give the Minister of Northern Development and Mines some supplementary moneys. As opposition parties, we would be glad to support him in that effort. However, I am afraid he is losing his clout, along with the Minister of Tourism and Recreation.

There is a lot of rhetoric, a number of studies, a great many commissions, but no money. I make that plea directly to the Treasurer on behalf of my colleague the Minister of Northern Development and Mines.

I want to quote from the Northern Times. This is what the minister said in North Bay, "It would probably be cheaper just to give $200 to each resident north of North Bay to be used on taxis, instead of operating the Ontario Northland Railway passenger trains in that area." There is the old Rambo approach.

Hon. Mr. Fontaine: That was misquoted. I never said that.

Hon. Mr. Nixon: It sounds like a misquote to me.

Mr. Bernier: It is quoted in the paper. I am just reading it. I am sure the minister wishes he had never said it. I hope he has since clarified this statement for the people of that general area. I think he has.

Consequently, I would like to know what plans the minister has. I note he makes some reference to the Ontario Northland Transporta-

tion Commission being overviewed, reviewed and possibly its role being expanded, with which I concur. I would like to know what he plans for the expanded service of the norOntair fleet in the northwest.

I am sure he will lay to bed once and for all the problem with the second Dash-8. I am pleased to see it will fly in northwestern Ontario. I have to criticize the minister for the three-month delay, sitting on the report. I understand he had it since August. It was a good report that Jack Stokes gave the minister. It was straightforward.

Hon. Mr. Fontaine: There is no plane.

Mr. Bernier: The minister should have moved on it anyway. The plane was coming off the assembly line. If he had made the decision then and applied for the licence, that airplane would be flying today.

Hon. Mr. Fontaine: The plane is in the garage. The member knows that.

Mr. Bernier: It could all be speeded up. Nevertheless, the minister was a little lax on that.

Hon. Mr. Fontaine: I did not sign those papers, the member did.

Mr. Bernier: I know. I bought the airplanes for northern Ontario. I did not buy them to fly in the Maritimes. They were not designed to fly there when we were in the government.

I am pleased the minister has come around. He has made the statement categorically it will fly in the northwest. That is the type of service to which we are entitled.

I hope in the minister's reply he will bring us up to date on the status of the bilevel train service we implemented and were moving on with respect to the ONR. We were in the throes of purchasing 20 bilevel cars from the Urban Transportation Development Corp. in Thunder Bay that would make the ONR one of the most modern transportation services on the North American continent, along with the refurbishing of the cars we picked up from GO Transit which are being redone now in the North Bay shop, to look at the Polar Bear Express operation. There are a number of questions there we would like answered.

According to the estimates I have before me, the northern transportation program has decreased by $1.5 million, from about $85 million last year to $83.5 million this year. I am glad the Treasurer is here to see that. Considering that this government as an opposition party, and again today in the minister's statement, emphasized the importance of northern transportation services, I fail to understand why this budget has been cut by almost $2 million. I have a hard time with this on the one hand and that on the other. That is what we are hearing from this minister; especially since the air services program seems to be hardest hit.

However, I commend the government's effort to increase transportation development under the northern economic development program. With this increase in mind, I would like to know how the government plans to intensify expansion of the northern roads program for increased bus and rail frequencies and for better utilization of the transportation infrastructure, when at the same time it has cut the budget for transportation services. Perhaps the minister will enlighten us on that point.

In addition, I would like to emphasize the importance of the northern roads program for northerners, especially in the development of the northern infrastructure. It increases the economic diversity that is needed right across northern Ontario.

I would like more details on some of the roads that have been planned with the ministry. It may be a little early for it, but when we were in office we met at about this time of the year with the Ministry of Transportation and Communications and we set the priorities for northern road construction programs. It was the senior staff of my ministry, working closely with MTC, that came forward with a very positive program. I hope it will not be long before the minister comes forward with his 1986-87 program.

I was also pleased to read and to learn in the estimates that the winter roads program is still intact and is identical to what it was last year. I hope there may be some expansion of that program in the coming year because it is something our native peoples look forward to. As well, the hefty budget cuts at MTC and the Ministry of Municipal Affairs may hurt transportation development in our part of northern Ontario.

On agriculture, the minister has spoken broadly and intensely across the north with respect to increasing farm potential. Besides paying farmers to get out of the farming business, will the government provide financial reforms, including low interest rates, for farmers right across northern Ontario where it is needed?

Mr. Wildman: Oh my God, why was that not done before?

Mr. Bernier: On November 1, 1985, the member for Algoma (Mr. Wildman)–God bless him–asked the Minister of Agriculture and Food (Mr. Riddell) to explain a statement in a letter

sent by the minister to the member regarding the Liberal campaign promise to equalize milk prices right across the north. I want to put the statement into the record.

"I do not think it would be in the best interests of consumers or the entire dairy industry to establish a system of controls on the wholesale and retail prices of fluid milk. Therefore, I will not be proposing any changes of this nature to the Milk Act."

The minister then responded, "We could perhaps move as a government to try to equalize the price of milk by doing something by way of transportation assistance."

In view of the fact it is part of his party's policy to equalize the price of milk across this province, I hope he will comment on this issue facing us. Another issue that is surfacing–I do not know whether the member for Algoma is aware of it–is the fact that an increase in the price of bread is coming forward. With the increased price of wheat, we are seeing a sudden and sharp increase in the price of bread. A 24-ounce loaf of bread today sells for $1.80 in Sandy Lake and for 91 cents in Toronto. With this added increase, it is going to cause more aggravation for the people who live in that vast area of the remote north.

The AgriNorth program was developed, as I said earlier, by the former government with the objective of improving agriculture in the north and of creating programs to cater to the needs of northern Ontario farmers. I would like to know by what methods the minister plans to expand this industry, because he has talked about it a lot right across the north. If he does plan to do so, noting the large cut in the resources development program, how can he expand it? He goes to northern Ontario and says he is going to do something for agriculture, yet that part of his ministry's budget is being cut.

When I was minister, we commissioned a wild rice study by Dr. Lee at Lakehead University.

Mr. Chairman: Order. Perhaps this might be an opportune time to discontinue your statement.

On motion by Hon. Mr. Nixon, the committee of supply reported progress.

The House adjourned at 1 p.m.

APPENDIX A

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

LEGAL COSTS

101. Mr. McClellan: Would the minister responsible please advise the House of the total legal costs to date that have been incurred by the ministry on behalf of the plaintiff in the case of Armstrong and Bergie versus Toronto Star and Deverell? [Tabled November 29, 1985]

Hon. Mr. Wrye: There are two actions under way. With reference to action 14011/84, Armstrong and Bergie versus Toronto Star and Deverell, the legal costs incurred to November 29 were $5,616.11. The legal costs incurred to November 29 in action 19171/84, Armstrong versus Toronto Star and Deverell, were $2,197.70. The total to November 29 was $7,813.81.

SPECIAL TRADE ADVISER

105. Mr. Bennett: Would the Premier indicate the salary of Robert Latimer, who has been retained as special trade adviser to the Premier, his previous employment and whether his employment with the government of Ontario contravenes any federal government guidelines about appropriate employment after serving the crown in the right of the government of Canada? [Tabled December 9, 1985]

Hon. Mr. Wrye: Robert Latimer is appointed within group 1 of the unclassified service at a per diem rate of $296.15, which is based on an equivalent salary of $70,000 per annum, plus 10 per cent in lieu of benefits. This salary is within the range for level 5 in the executive compensation plan. It should be noted that Mr. Latimer works on average only two to three days each week, so that his actual payment is less than the annual equivalent.

Mr. Latimer was formerly employed as an assistant deputy minister in a number of trade and economic policy related positions in the federal government. He retired from the federal civil service in February 1985.

As Mr. Latimer is being employed in the Ontario public service on a contract basis, he does not contravene any federal guidelines pertaining to his former employment with the federal civil service.

TAX INCREASES

111 to 115. Mr. Andrewes: Would the Treasurer table the specific reports prepared by him setting forth the negative economic impact and anticipated job loss attributable to the increases in the gasoline tax, the tobacco tax, the land transfer tax, the fuel tax, the personal income tax and the corporation tax proposed by him in his October 24, 1985, budget? [Tabled December 9, 1985]

Hon. Mr. Nixon: The October 24 budget contained papers which presented an economic forecast for Ontario. The measures announced in the budget were taken into account in the preparation of the forecast.

The budget forecast projected employment growth of 2.5 per cent or 108,000 jobs in 1986. The most recent forecast released by the Conference Board of Canada anticipates employment growth of 3.2 per cent.

Since the budget was tabled, Statistics Canada has reported strong job creation in Ontario. In November, Ontario employment rose by 51,000 in comparison to an increase of 83,000 for Canada as a whole.

TAX REVENUES

116. Mr. Andrewes: Would the Treasurer provide all the information he has on the magnitude of additional revenues, not included in his October 24, 1985, budget, to be derived from the collection of the personal income tax from the people of Ontario? Tabled December 9, 1985]

Hon. Mr. Nixon: Since the October 24 budget, on the basis of federal re-estimates of revenues from the personal income tax, Ontario's 1985-86 personal income tax revenue forecast has been increased by $248 million to $7,025,000,000. Partially offsetting this increase is an associated reduction in established programs financing revenue of $78 million.

The net impact of these revisions is an increase in provincial revenue of $170 million.

MINISTERIAL CARS

117. Mr. Gregory: Would the Minister of Transportation and Communications provide a

list of all vehicles used as ministerial cars, indicating their make, year of manufacture, date of purchase and present mileage? [Tabled December 9, 1985]

Hon. Mr. Fulton: The detailed answer is provided by way of the following lists. The A list includes cars assigned to ministers and other elected officials. The B list includes 21 cars that are available for ministerial use. At any one time, approximately eight to nine cars on the B list are in regular use by ministers and deputy ministers as substitutes for their regular vehicles when they are out of service, and another two to three are typically in being repaired. The remaining nine to 11 are available for pool use at any one time.

LIST A

Model Year	Make, Model, Serial	Date Received	Kilometres (Approximate –From Work Orders)
1986	Oldsmobile Regency 98 1G3CW69B5G1317456	November 22, 1985	5,500
1983	Buick Park Avenue 1G4AW69Y8DH524188	July 12, 1983	92,134
1982	Mercury Marquis Brougham 1MEBP85FOCZ630132	February 19, 1982	140,049
1984	Buick Park Avenue 1G4AU69Y6EH897561	March 27, 1984	76,266
1983	Oldsmobile 98 Regency 1G3AW69Y4DM777553	December 7, 1982	95,916
1985	Buick Park Avenue 1G4CW6934F1466461	March 15, 1985	35,590
1982	Buick Park Avenue 1G4AW69Y6CH463566	March 17, 1982	139,140
1985	Buick LeSabre LTD 1G4BP69Y7FX438610	May 24, 1985	14,750
1985	Buick LeSabre LTD 1G4BP69Y5FH844315	March 27, 1985	19,766
1983	Oldsmobile Regency 98 1G3AW69Y7DM942270	October 28, 1983	95,593
1982	Buick Park Avenue 1G4AW69Y8CH458367	February 24, 1982	114,769
1983	Buick Regal 1G4AM69HXDH990744	September 21, 1983	96,082
1985	Oldsmobile Delta 88 1G3BV69Y4F9106381	July 15, 1985	12,053
1984	Buick Park Avenue 1G4AU69Y1EH886211	April 11, 1984	88,710
1984	Chrysler Fifth Avenue 1C3BF66P8EX509979	November 30, 1983	91,218
1984	Buick Park Avenue 1G4AU69YXEH916967	March 9, 1985	14,645
1984	Buick Park Avenue 1G4AU69Y7EH883359	April 5, 1984	101,696
1984	Oldsmobile Regency 98 1G3AH69Y9EM813412	January 25, 1984	45,920
1984	Buick Park Avenue 1G4AU69Y5EH914883	September 19, 1984	69,570
1984	Chrysler Fifth Avenue 1C3BF66P5EX503413	October 26, 1983	6,006

LIST A

Model Year	Make, Model, Serial	Date Received	Kilometres (Approximate –From Work Orders)
1982	Buick Park Avenue 1G4AW69YXCH495081	June 17, 1982	106,437
1984	Chrysler Fifth Avenue 1C3BF66P1EX507703	November 24, 1983	74,548
1983	Oldsmobile Regency 98 1G3AW69Y7DM912363	July 22, 19831	24,766
1984	Oldsmobile Regency 98 1G3AH69Y3EM869149	May 3, 1984	73,766
1986	Buick Park Avenue 1G4CW69BG1420327	October 10, 1985	6,624
1986	Buick Park Avenue 1G4CW69BXG1451696	December 9, 1985	New
1983	Pontiac Parisienne 2G7AN69H6D1716217	July 21, 1983	116,843
1984	Oldsmobile Regency 98 1G3AH69YXEM871383	April 16, 1984	111,333
1985	Buick Park Avenue 1G4CW6933F1518095	August 12, 1985	–

LIST B

Vehicles Available for Ministerial Use, Located at Government Garage, 881 Bay Street

Model Year	Make, Model, Serial	Date Received	Kilometres (Approximate –From Work Orders)
1983	Oldsmobile Regency 98 1G3AW69Y6DM756428	November 5, 1982	132,677
1981	Oldsmobile Regency 98 1G3AX69Y1BM305451	July 13, 1981	137,542
1982	Pontiac Parisienne 2G7AN69J8C1307573	June 29, 1982	144,247
1982	Mercury Marquis 1MEBP85F3CZ613387	November 9, 1981	172,366
1982	Chevrolet Impala 2G1AL69H0C1226077	May 25, 1982	67,811
1983	Pontiac 6000 2G2AG19X301212850	January 28, 1983	65,525
1982	Chrysler New Yorker 2C3BF66P4DR138607	November 1, 1982	140,992
1982	Chevrolet Impala 2G1AL69H3C1226073	May 25, 1982	67,506
1981	Buick Park Avenue 1G4AW69Y0BH79356	May 8, 1981	143,335
1984	Chrysler New Yorker 1C3BF66P9EX612148	November 26, 1984	39,290
1985	Oldsmobile 88 Regency 1G3CW6939F4355973	February 18, 1985	34,973

LIST B

Vehicles Available for Ministerial Use, Located at Government Garage, 881 Bay Street

Model Year	Make, Model, Serial	Date Received	Kilometres (Approximate –From Work Orders)
1981	Chevrolet Impala 2G1AL69N8B1152573	April 20, 1981	74,789
1982	Oldsmobile 88 Regency 1G3AW69Y7CM307029	June 15, 1982	105,284
1982	Mercury Cougar 1MEBP77B6CG602965	January 5, 1982	76,541
1983	Oldsmobile 98 Regency 1G3AX69Y6CM310999	July 12, 1982	180,164
1983	Oldsmobile 98 Regency 1G3AW69Y6DM833928	April 29, 1983	137,378
1982	Oldsmobile 98 Regency 1G3AW69Y4CM300300	June 23, 1982	193,926
1982	Chrysler New Yorker 2C3BF66K7CR157736	May 5, 1982	183,339
1983	Oldsmobile 98 Regency 1G3AM19X5DD375749	March 16, 1983	99,311
1981	Chrysler New Yorker 1C3BR57K813A110248	December 23, 1980	131,186
1984	Mercury Marquis 1MEBP95GXEZ674754	June 28, 1984	44,496

Typically there are 21 cars in total, two to three cars being repaired, and eight to nine cars on loan to ministers and deputy ministers, usually because something is wrong with their regular cars. Available for pool use: nine to 11 at any one time. Demand for service can hit a peak of about nine units out at any one time. The cushion is therefore anywhere from nil to two.

GARDEN RIVER INDIAN BAND

118. Mr. Gregory: Would the Minister of Transportation and Communications indicate whether negotiations have taken place for a final agreement between the Garden River Indian band and the province for a Highway 17 right of way through the reserve? If not, when does the minister plan to meet and begin negotiations with the band? [Tabled December 9, 1985]

Hon. Mr. Fulton: Negotiations have been actively pursued and meetings are being held with the Garden River Indian band by my senior staff in Thunder Bay. The most recent meeting was held on December 13, 1985. Progress has been made on resolving many issues, but the more complex issues will require further discussion and negotiation. Both parties are continuing to work together to resolve these issues. Another meeting is tentatively scheduled for the last week of January 1986. A meeting will likely be arranged with the chief and the minister following this meeting.

MOTOR VEHICLE LICENCE DEPOTS

119. Mr. Gregory: Would the Minister of Transportation and Communications indicate whether there has been any reassignment of motor vehicle licence depots since July 1, 1985, and, if so, where and for what reason? [Tabled December 9, 1985]

Hon. Mr. Fulton: Eight appointments have been made, two of which fill vacancies that occurred prior to June 1, 1985.

**Resignation Prior to July 1;
Appointment Subsequent to July 1, 1985**

Location	Previous Issuer	New Issuer
Dundalk	Brenda Jack Resignation effective June 26, 1985 No reason for resignation provided	Dorothy Rhodes Effective October 11, 1985
Dutton	George Corneil Died June 20, 1985	Phil Corneil Effective October 7, 1985

Resignation and Appointment Subsequent to July 1, 1985

Location	Previous Issuer	New Issuer
Embrun	Relocation of facilities from St. Isidore-de-Prescott	Jean-Guy Bourdeau Effective October 1, 1985
Little Current	Robert Lucas Resignation effective August 29, 1985 Change in occupation	Rupert Grigull Effective August 29, 1985
New Hamburg	Maurice Hammer Resignation effective December 31, 1985 No reason provided	Deborah Armstrong Effective December 31, 1985
New Liskeard	Margaret Mackey Resignation effective upon replacement No reason provided	Louann Seymour Effective November 14, 1985
Sault Ste. Marie	Jack Collins Died August 7, 1985	Joan Collins Effective November 12, 1985
Stouffville	Marion Murphy Resignation effective August 31, 1985 Retirement	June Vliek Effective September 4, 1985

NSF CHEQUES

120. Mr. Gregory: Would the Minister of Transportation and Communications indicate how many NSF cheques have been collected this year, recognizing that last year 8,000 such cheques were received from citizens for licence plate renewals worth approximately $700,000? What improvements is the minister making in his collection process to reduce the number of these cheques? Would the minister advise if any portion of these uncollectable NSF cheques has been turned over to a collection agency? If not, why not? [Tabled December 9, 1985]

Hon. Mr. Fulton: For the period April 1, 1985, to December 13, 1985, some 6,300 NSF cheques have been received, representing approximately $495,000. Of that number, approximately 1,620 cheques, totalling $128,000, have been repaid. To date, 63 NSF cheques have been recommended for write-off because of the death or bankruptcy of the debtor.

On August 1, 1985, the ministry implemented the NSF denial program. At that time, approximately 4,600 NSF cheques were outstanding. Under this program, the cheque writer is notified in writing of the amount owing and the conse-

quences if it remains unpaid. If the outstanding amount remains unpaid after 30 days, a penalty of $5 or 10 per cent of the cheque amount, whichever is greater, is added to the outstanding amount. Until the amount owing is paid, the registrant is not allowed to renew his vehicle licence. Unfortunately, the full impact of the denial program cannot be completely assessed for a minimum of one year because of the staggered format of the vehicle licensing system.

Finally, no vehicle NSF cheques have been turned over to a collection agency, since that action defeats the purpose of the denial program.

PROPERTY TAX ASSESSMENTS

122. Mr. Ashe: Would the Minister of Revenue provide the following information regarding the property tax assessment program, and would he list the statistics by assessment region and by municipality: (1) the number of new appeals of assessment in 1982-83, 1983-84 and 1984-85; (2) the number of appeals launched in previous years which were still pending in 1982-83, 1983-84 and 1984-85, respectively; (3) the number of appeals by property owners which have been granted in each of the three periods concerned; (4) a list of which municipalities are assessed under section 63 or section 70 of the Assessment Act? [Tabled December 9, 1985]

See sessional paper 311.

PROPERTY REASSESSMENT

123. Mr. Ashe: Would the Minister of Revenue advise when he is going to act on the request from many municipalities to extend consolidated section 63 property reassessment on a county-wide or region-wide basis? What formula for agreement will the minister adopt during the implementation in order that local wishes be recognized? [Tabled December 9, 1985]

Hon. Mr. Nixon: The implementation of a region-wide reassessment is being given active consideration in the regional municipality of Sudbury for implementation for the 1986 tax year. There is, of course, no legislation in place at present to allow a region-wide reassessment, and implementation would therefore require an appropriate amendment to the Regional Municipality of Sudbury Act.

Ideally, implementation of such a reassessment would be based on unanimous agreement of the region or the county and the local municipalities. Failing such unanimity, there would have to be a high degree of consensus for implementation to respect local autonomy. There is no single formula that will be applicable to each region or county. Rather, the measure of consensus must be appropriate to the circumstances in each of the regions or counties considering implementation.

ENVIRONMENT REPORTS

130. Ms. Fish: Would the Minister of the Environment table a list of the reputed 60 ministry reports which allegedly were not released by the former government, indicating the title of the report, who commissioned it, the date it was commissioned, the date the report was completed, the date the report was forwarded to the minister for review and release, and the results or recommendations of each report? [Tabled December 9, 1985]

Hon. Mr. Bradley: When I assumed office, there were a number of reports that had been prepared, but not released, as you will note below.

I made a commitment to release all reports so that the public would be properly informed. Accordingly, I instructed ministry staff to devise a system for ensuring that reports are made accessible to the public within the shortest possible time.

All reports are now routinely released. There is no need, therefore, for a mechanism to record numbers of reports not released.

Some of the more notable reports I have approved for release, which had been prepared before I assumed office, are:

1983–Urban Bacteria Sources and Control by Street Sweeping in the Lower Rideau River Watershed.

1984–Scientific Criteria Document for Standard Development 2-84, Chlorinated Phenols in the Aquatic Environment; Scientific Criteria Document for Standard Development 3-84, Chlorinated Benzenes in the Aquatic Environment.

1985–Concentrations of PCDDs and PCDFs in Soil in the Vicinity of the Swaru Incinerator, Stoney Creek; Bacteriological Water Quality and Source Identification at St. Catharines Beaches, June-August 1983; Socio-Economic Analyses to Aid in Development of Poly-Chlorinated Dioxin (PCDD) and Poly-Chlorinated Di-Benzofuran (PCDF) Standards; Management by Results Technical Appendices: Details of 1985-86 Planned Results; and Mercury Pollution in the Wabigoon-English River System: A Socio-economic Assessment in Remedial Measures.

WASTE MANAGEMENT

131. Ms. Fish: Would the Minister of the Environment table a list of all municipal and provincial waste management facilities that are exceeding discharge guidelines into the Great Lakes and indicate which chemicals are involved and by how much they are exceeding present guidelines? [Tabled December 9, 1985]

Hon. Mr. Bradley: The response to the above question is provided in tables 1 and 2.

TABLE 1

1984 Compliance Audit for Major Municipal Waste Water Treatment Facilities (1.0 MIGD and Greater) in Great Lakes Basin

Basin	Total No. of Facilities	Facilities Meeting MOE Effluent Guidelines	Facilities Failing MOE Effluent Guidelines	Parameter(s)* Failing MOE Effluent Guidelines		
				BOD	SS	TP
Superior	1	0	1	0	0	1
Huron	22	17	5	0	0	5
Erie	30	23	7	3	2	5
Ontario-St. Lawrence	47	37	10	3	2	8
Total	100	77	23	6	4	19

*BOD = biological oxygen demand; SS = suspended solids; TP = total phosphorus; MIGD = million Imperial gallons per day.

TABLE 2

Major Municipal Waste Water Treatment Facilities (1.0 MIGD and Greater) Not Meeting MOE Effluent Guidelines in 1984

Municipality	Effluent Concentration in Excess of MOE Guidelines*		
	BOD (mg/L)	SS (mg/L)	TP (mg/L)
Lake Superior			
Thunder Bay			0.3
Lake Huron			
Collingwood			0.5
Elliot Lake			0.3
North Bay			0.5
Sudbury – Valley East			0.1
– Rayside-Balfour			0.5
Lake Erie			
Amherstburg	19	2	3.2
Aylmer			0.5
Cambridge – Preston	2		
– Hespeler	6	3	
St. Thomas			0.2
Strathroy			0.6
Windsor – Little River			0.2

TABLE 2

Major Municipal Waste Water Treatment Facilities
(1.0 MIGD and Greater)
Not Meeting MOE Effluent Guidelines in 1984

Municipality	Effluent Concentration in Excess of MOE Guidelines* BOD (mg/L)	SS (mg/L)	TP (mg/L)
Lake Ontario/St. Lawrence			
Belleville	9		
Cobourg No. 2			1.6
Halton Hills – Georgetown			0.2
Hamilton			0.3
Iroquois	30	35	1.2
Metro Toronto – Highland Creek	9		
– Humber River		1	0.4
Napanee			1.5
Newcastle – Port Darlington			0.8
Port Colborne			0.2

*BOD = biological oxygen demand; SS = suspended solids; TP = total phosphorus; MIGD = million Imperial gallons per day.

MINISTER'S STAFF

132. Ms. Fish: Would the Minister of the Environment indicate how many women are employed on the minister's staff, what are their job titles, responsibilities and salaries, and what percentage of total employees do they represent? [Tabled December 9, 1985]

Hon. Mr. Bradley: The minister's office employs six women. Please refer to the attached table for their respective responsibilities and salaries.

The six women represent 55 per cent of the total employees in the minister's office.

Women Employees in Minister's Office

Job Titles/Responsibilities	Actual Salary
1. Administrative assistant constituency, correspondence and administration	$33,000 per annum
2. Secretary to executive assistant	$24,022 per annum
3. Secretary to senior policy adviser and press secretary	$20,102 per annum
4. Secretary to the minister	$352.74 per week
5. Executive assistant to parliamentary assistant	$30,000 per annum
6. Secretary to parliamentary assistant and executive assistant	$389.30 per week

GOVERNMENT ADVERTISING

136. Mr. Rowe: Would the Minister of Tourism and Recreation please provide a list of all communication services and public relation services contracted by the ministry since June 26, 1985, itemizing the service provided, by and for whom, and the value of the contract? [Tabled December 9, 1985]

Hon. Mr. Eakins: Freelance photographers used to photograph minister, deputy minister and for ministry publications:

M. Sundland	J. Harquail	G. Beechey	R. Chicoine
$ 55.91	$ 401.25	$73.56	$153.07
165.05	978.41		
62.86			
733.87			
122.25			
$1,139.94	$1,379.66	$73.56	$153.07

Freelance photography total: $2,746.23.
Freelance writers used for annual report, minister's speeches and grants announcements:

J. Dorey	G. Snowdown	T. Maloney	Wm. Dampier	V. Lowry
$ 860.37	$1,045.00	$240.00	$1,560.00	$ 960.00
849.63	770.00			960.00
825.00	935.00			960.00
850.00	220.00			960.00
885.00				960.00
				960.00
$4,270.00	$2,970.00	$240.00	$1,560.00	$5,760.00

Freelance writing total: $14,800.
Graphic designers–tendered contracts re program publications and annual report:

Abbott, Jenkins, Mussio Ltd.	Concord Graphics
$ 423.06	$284.83
17,228.93	217.75
13,033.66	
204.74	
15,063.76	
258.91	
345.11	
255.94	
21,364.18	
$68,178.29	$502.58

Graphic design total: $68,650.87.
Research–survey of Ontario Recreation News and Ontario Tourism News:
Thompson, Lightstone–$6,800.

137. Mr. Rowe: Would the Minister of Tourism and Recreation provide a listing of those individuals and firms that have been awarded advertising contracts by the Ontario Lottery Corp. since June 26, 1985, indicating the value and terms of these contracts? [Tabled December 9, 1985]

Hon. Mr. Eakins: There have been no advertising contracts awarded by the Ontario Lottery Corp. to individuals and firms since June 26, 1985. Present advertising contracts do not expire until January 31, 1987.

It should be noted, however, that the contract with the advertising agency formerly assigned the Wintario account was terminated in September 1985, with all business concluding in December 1985. This was done because the company, formerly known as F. H. Hayhurst Ltd., was purchased by a British-based company, becoming Saatchi and Saatchi Compton Hayhurst Ltd. The company no longer met the Ontario government's Canadian ownership requirements and was therefore not qualified to receive government advertising.

Upon discussion with the province's chairman of the Advertising Review Board, it was agreed, because the Ontario Lottery Corp. requires ongoing advertising services, the Wintario account would be handled on an interim basis by Robinson, Hall Advertising Inc. This agency is aware of the needs of the lottery industry since it currently handles the Lottario account. This interim assignment will continue until such time as the Advertising Review Board is able to undertake a search for a new agency.

TOURISM REDEVELOPMENT INCENTIVE PROGRAM

138. Mr. Rowe: Would the Minister of Tourism and Recreation provide a list of all grants and loans given to individuals and firms under the tourism redevelopment incentive program since June 26, 1985, and indicate their value and date of approval? [Tabled December 9, 1985]

Hon. Mr. Eakins: The loan guarantees made under the tourism redevelopment incentive program since June 26, 1985, are summarized on the following list:

Tourism Redevelopment Incentive Program (TRIP)
Loan Guarantees Made Since June 26, 1985

Date	Name of Applicant	Location	TRIP Guarantee	Total Project Value
July 3, 1985	Sundial Motor Inn	Orillia	$ 586,800	$ 1,486
July 3, 1985	Royal Connaught Hotel	Hamilton	750,000	2,500
July 15, 1985	Randy Cross, Golf Theme Park	Peterborough	250,000	332
July 15, 1985	Seven Oakes Motel	Kingston	210,000	310
August 17, 1985	Sioux Lookout Sunset Mall	Sioux Lookout	750,000	1,175
July 29, 1985	Grandview Motel	Tobermory	65,000	143
August 15, 1985	Polar Star Lodge	Wabigoon	162,000	162
August 15, 1985	Wainfleet Motel	Wainfleet	150,000	323
August 20, 1985	Severn River Inn	Severn Bridge	166,000	251
August 20, 1985	Ramada Inn	North Bay	210,000	210
October 9, 1985	Snow Valley Resort	Barrie	272,000	302
October 18, 1985	Remi Chalet	Moonbeam	131,000	175
November 2, 1985	Red Castle Travelway Inn	Sudbury	1,000,000	3,960
November 12, 1985	Macies Ottawan Motel	Ottawa	650,000	1,200
November 13, 1985	Rockland Motel	Rockland	750,000	1,200
Total:	15		$6,102,800	$13,731

LIQUOR STORE LICENCES

140. Mr. Runciman: Would the Minister of Consumer and Commercial Relations indicate whether there has been any reassignment of liquor store licences since July 1, 1985, and if so, where and for what reason? [Tabled December 9, 1985]

Hon. Mr. Kwinter: There have been four changes of agency licences since July 1, 1985.

Store 67, West Bay–On August 19, 1985, agency licence changed from Charles J. Beaudin to Helen Debassige because of a change in ownership of the store.

Store 62, Batchawana Bay–On September 19, 1985, agency licence was transferred from L. Barclay to Gerald Demers because of default in payments by Barclay.

Store 3, Nolalu–On September 25, 1985, agency licence changed from W. C. Hubbard to Garry T. Hosegood and Beverley Reid due to a change in ownership.

Store 4, Kashabowie–On November 1, 1985, agency licence changed from Robert Mendel to Carolyn Solomon due to a change of ownership.

ONTARIO INSTITUTE FOR STUDIES IN EDUCATION

142. Mr. McFadden: Would the Minister of Colleges and Universities table all reports, documents and studies prepared since July 1, 1985, with regard to the proposal to transfer the Ontario Institute for Studies in Education to the University of Toronto? [Tabled December 9, 1985]

Hon. Mr. Sorbara: The Ministry of Colleges and Universities has no reports, documents or studies prepared since July 1, 1985, with regard to the proposal to transfer the Ontario Institute for Studies in Education to the University of Toronto.

143. Mr. Andrewes: Would the Treasurer table all reports, documents and studies prepared since July 1, 1985, with regard to the proposal to transfer the Ontario Institute for Studies in Education to the University of Toronto? [Tabled December 9, 1985]

Hon. Mr. Nixon: No documents have been prepared since July 1, 1985, regarding the administrative status of OISE.

DOCTORS HOSPITAL

144. Mr. McClellan: Would the Minister of Health indicate whether there have been any agreements finalized with respect to the Doctors Hospital to fund (i) active treatment beds; (ii) chronic care beds for the Doctors Hospital renovation/reconstruction project? If so, what are the dates of any such agreements, and what are the precise details? If not, what stage is this project at in the ministry's planning and approval process? [Tabled December 11, 1985]

Hon. Mr. Elston: The replacement of Doctors Hospital was approved in a letter dated June 30, 1983, to include approximately 280 acute care beds and to develop 200 chronic care beds on the same site. The functional program for the acute care component is currently under review.

In regard to funding approval, the ministry will provide a two-thirds share in the capital cost for both the acute care replacement and the chronic care expansion.

INTERIM ANSWERS

102 to 104. Mr. R. F. Johnston: Hon. Mr. Sweeney–The ministry will provide a response to the above questions on January 10, 1986.

126 to 128. Miss Stephenson: Hon. Ms. Caplan–The information required by these questions will take longer than the normal 14 days to prepare. The answer should be available by about January 17, 1986.

APPENDIX B

ALPHABETICAL LIST OF MEMBERS*

(124 members)

First Session, 33rd Parliament

Lieutenant Governor: Hon. L. M. Alexander, PC, QC

Speaker: Hon. H. A. Edighoffer **Clerk of the House: R. G. Lewis, QC**

Allen, R. (Hamilton West NDP)
Andrewes, P. W. (Lincoln PC)
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Bradley, Hon. J. J., Minister of the Environment (St. Catharines L)
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Charlton, B. A. (Hamilton Mountain NDP)
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Cooke, D. S. (Windsor-Riverside NDP)
Cordiano, J. (Downsview L)
Cousens, W. D. (York Centre PC)
Cureatz, S. L. (Durham East PC)
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Davis, W. C. (Scarborough Centre PC)
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Eakins, Hon. J. F., Minister of Tourism and Recreation (Victoria-Haliburton L)
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Henderson, D. J. (Humber L)
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Johnson, J. M. (Wellington-Dufferin-Peel PC)
Johnston, R. F. (Scarborough West NDP)
Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy (Niagara Falls L)
Keyes, Hon. K. A., Solicitor General and Minister of Correctional Services (Kingston and the Islands L)
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Munro, Hon. L. O., Minister of Citizenship and Culture

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Van Horne, Hon. R. G., Minister without Portfolio

Ruprecht, Hon. T., Minister without Portfolio

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*The lists in this appendix, brought up to date as necessary, are published in Hansard on the first Friday of each month and in the first and last issues of each session.

CONTENTS

Friday, January 10, 1986

Oral questions

Conway, Hon. S. G., Minister of Education:
Suspension of student, Mr. Allen 2938

Curling, Hon. A., Minister of Housing:
Assisted housing, Mr. Guindon, Mr. McClellan 2938

Elston, Hon. M. J., Minister of Health:
Electroshock therapy, Mr. Reville, Mr. Pope 2937

Fulton, Hon. E., Minister of Transportation and Communications:
Highway extension, Mr. Shymko, Mr. Rae 2936

Keyes, Hon. K. A., Solicitor General and Minister of Correctional Services:
Sunday trading, Mr. Sterling, Mr. Warner 2930

Kwinter, Hon. M., Minister of Consumer and Commercial Relations:
Insurance rates, Mr. Rae, Mr. Grossman 2931
Insurance rates, Mr. Grossman, Mr. Runciman 2934

Munro, Hon. L. O., Minister of Citizenship and Culture:
Multicultural policy, Mr. Leluk 2935

Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue:
Pension reform, Mr. Rae, Mr. Andrewes 2932

Peterson, Hon. D. R., Premier and President of the Council and Minister of Intergovernmental Affairs:
Trust companies, Mr. Grossman, Mr. Rae 2929

Scott, Hon. I. G., Attorney General:
Court ruling, Mr. Gillies 2933

Wrye, Hon. W. M., Minister of Labour:
Employee health and safety, Mr. Mackenzie, Mr. Gillies 2934
Domestic workers, Ms. Gigantes, Mr. Gillies 2936

Motion

Committee sitting, Mr. Nixon, agreed to 2939

Third readings

Ontario Loan Act, Bill 43, Mr. Nixon, agreed to 2939
Small Business Development Corporations Amendment Act, Bill 44, Mr. Nixon, agreed to 2939

Committee of supply

Estimates, Ministry of Northern Development and Mines, Mr. Fontaine, Mr. Bernier, adjourned 2939

Other business

Visitors, Mr. Andrewes 2939
Adjournment 2959

Appendix A

Answers to questions in Orders and Notices

Bradley, Hon. J. J., Minister of the Environment:
Environment reports, question 130, Ms. Fish 2965
Waste management, question 131, Ms. Fish 2966
Minister's staff, question 132, Ms. Fish 2967

Eakins, Hon. J. F., Minister of Tourism and Recreation:
Government advertising, questions 136 and 137, Mr. Rowe 2967
Tourism redevelopment incentive program, question 138, Mr. Rowe 2969

Elston, Hon. M. J., Minister of Health:
Doctors Hospital, question 144, Mr. McClellan 2970

Fulton, Hon. E., Minister of Transportation and Communications:
Ministerial cars, question 117, Mr. Gregory 2960
Garden River Indian band, question 118, Mr. Gregory 2963
Motor vehicle licence depots, question 119, Mr. Gregory 2963
NSF cheques, question 120, Mr. Gregory 2964

Kwinter, Hon. M., Minister of Consumer and Commercial Relations:
Liquor store licences, question 140, Mr. Runciman 2969

Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue:
Tax increases, questions 111 to 115, Mr. Andrewes 2960
Tax revenues, question 116, Mr. Andrewes 2960
Property tax assessments, question 122, Mr. Ashe 2965
Property reassessment, question 123, Mr. Ashe 2965
Ontario Institute for Studies in Education, question 143, Mr. Andrewes 2965

Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development:
Ontario Institute for Studies in Education, question 142, Mr. McFadden 2970

Wrye, Hon. W. M., Minister of Labour:
Legal costs, question 101, Mr. McClellan 2960
Special trade adviser, question 105, Mr. Bennett 2960
Interim answers, questions 102 to 104 and 126 to 128 2970

Appendix B

Alphabetical lists of members of the Legislative Assembly of Ontario, members of the executive council, parliamentary assistants and members of committees 2971

SPEAKERS IN THIS ISSUE

Allen, R. (Hamilton West NDP)
Andrewes, P. W. (Lincoln PC)
Ashe, G. L. (Durham West PC)
Bernier, L. (Kenora PC)
Breaugh, M. J. (Oshawa NDP)
Conway, Hon. S. G., Minister of Education (Renfrew North L)
Curling, Hon. A., Minister of Housing (Scarborough North L)
Davis, W. C. (Scarborough Centre PC)
Edighoffer, Hon. H. A., Speaker (Perth L)
Elston, Hon. M. J., Minister of Health (Huron-Bruce L)
Epp, H. A. (Waterloo North L)
Fontaine, Hon. R., Minister of Northern Development and Mines (Cochrane North L)
Fulton, Hon. E., Minister of Transportation and Communications (Scarborough East L)
Gigantes, E. (Ottawa Centre NDP)
Gillies, P. A. (Brantford PC)
Grande, T. (Oakwood NDP)
Grossman, L. S. (St. Andrew-St. Patrick PC)
Guindon, L. B. (Cornwall PC)
Haggerty, R. (Erie L)
Keyes, Hon. K. A., Solicitor General and Minister of Correctional Services (Kingston and the Islands L)
Kwinter, Hon. M., Minister of Consumer and Commercial Relations (Wilson Heights L)
Leluk, N. G. (York West PC)
Mackenzie, R. W. (Hamilton East NDP)
Marland, M. (Mississauga South PC)
McClellan, R. A. (Bellwoods NDP)
Munro, Hon. L. O., Minister of Citizenship and Culture (Hamilton Centre L)
Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue (Brant-Oxford-Norfolk L)
Peterson, Hon. D. R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)
Pierce, F. J. (Rainy River PC)
Pope, A. W. (Cochrane South PC)
Rae, R. K. (York South NDP)
Reville, D. (Riverdale NDP)
Scott, Hon. I. G., Attorney General (St. David L)
Shymko, Y. R. (High Park-Swansea PC)
Sterling, N. W. (Carleton-Grenville PC)
Timbrell, D. R. (Don Mills PC)
Warner, D. W. (Scarborough-Ellesmere NDP)
Wildman, B. (Algoma NDP)
Wrye, W. M. (Windsor-Sandwich L)

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No. 85

Hansard
Official Report of Debates
Legislative Assembly of Ontario

First Session, 33rd Parliament
Monday, January 13, 1986
Afternoon Sitting

Speaker: Honourable H. A. Edighoffer
Clerk of the House: R. G. Lewis, QC

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CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, January 13, 1986

The House met at 2 p.m.

Prayers.

STATEMENTS BY THE MINISTRY

CROWN EMPLOYEES

Hon. Mr. Scott: I am pleased to announce today that I have referred to the Ontario Law Reform Commission for its consideration and report, to be completed by next July 1, several issues relating to political activity by crown employees.

The terms of reference of the commission's inquiry are as follows:

1. What restrictions on activities of crown employees are required to ensure their independence and impartiality and to satisfy the public of their independence and impartiality;

2. Whether and to what extent the existing law and practices governing crown employees restrict their activities beyond the extent necessary to ensure the existence and appearance of independence and impartiality;

3. Whether and to what extent changes to existing law and practices governing activities by crown employees are necessary or desirable, having regard to the Canadian Charter of Rights and Freedoms and the laws and practices of other comparable jurisdictions;

4. Whether and to what extent changes should be made in the oath of secrecy or in the law relating to that oath in conjunction with any changes recommended; and

5. Whether and to what extent the common law in relation to an employee's duty of loyalty and confidentiality bears on the issues.

I have asked the commission in preparing its report to bear in mind that different considerations may apply to different groups of crown employees, such as civil servants and public servants, and to different classifications and job descriptions.

The government has been considering action in this area. In the course of our preliminary consideration of the issues involved, it became apparent to us that there are many difficult and complex issues of law and public policy that need to be addressed. The government is of the view that a review by an independent body, the Ontario Law Reform Commission, will provide the right degree of impartial and detached consideration of these difficult issues combined with thoroughgoing research and deliberation.

I am mindful of the urgency of proceeding with these issues. That is why I have directed the commission that it must report by next July 1. This will give the government the opportunity to consider the commission's recommendations, prepare the necessary legislation during the summer and present a bill to the Legislature in the session next fall.

While some of us might like to proceed more quickly, I believe that to do so would not do justice to the extremely important issues involved here. The government undertakes to deal promptly with the issue of political activity by crown employees as soon as the law reform commission's report is received.

ONTARIO FAMILY FARM INTEREST RATE REDUCTION PROGRAM

Hon. Mr. Riddell: As the honourable members know, one of my first acts as Minister of Agriculture and Food was to establish a short-term program of emergency assistance to compensate farmers for the financial battering many had received earlier in this decade. We called this the Ontario family farm interest rate reduction program, or OFFIRR in short. There was a $50-million fund to ease some of the financial stress under which our farm families had been labouring in recent times.

OFFIRR has been enthusiastically endorsed by Ontario producers. We have received about 6,000 applications for assistance and have thus far paid out more than $12.5 million. In the past few weeks, applications have been flooding into my ministry's farm assistance programs branch at a rate of 100 to 200 a day, yet I have heard from many Ontario farm families that are concerned about missing out on this program. They are worried about putting together year-end cash flow figures, among the other documentation that goes with the application, in time to meet the deadline of this coming Wednesday, January 15.

Because of this high degree of interest and concern, I have decided to extend the deadline for applications for this program by two months.

The new deadline will be March 15. I would not like to see anyone who rightfully qualifies for this program, and who could benefit from this assistance, miss the boat because of a simple matter of scheduling.

This extension will allow many more Ontario farm families with 10 to 17 per cent equity in their farms to take part. OFFIRR can mean as much as $14,000 per farm family through a reduction of interest rates by up to seven percentage points to as low as eight per cent. This reduction applies to as much as $200,000 of long-term farm debt.

January 15 was originally scheduled as the end of another ministry policy. As part of our farmers-in-transition program, I announced a temporary deferral of action against those in financial trouble under three provincial programs. This was to go along with a national moratorium on foreclosures initiated by the federal Farm Credit Corp. Ottawa had announced this moratorium pending the results of a thorough review of the mandate of the Farm Credit Corp.

As this situation is unlikely to be resolved immediately, and certainly not in the next 48 hours, I am also extending Ontario's deferral of action until March 15, 1986. While this deferral is in effect, collection calls will not be made and legal action will not be taken on arrears of Ontario Junior Farmer's Establishment Loan Corp. mortgages and lease-with-option-to-purchase agreements under the farm enlargement program.

In addition, provincial requirements for action on guarantees under option C of the Ontario farm adjustment assistance program will remain temporarily lifted.

I feel these extensions are responsive to the needs of the people concerned and are in keeping with our long-term desire for a healthier agriculture and food industry in Ontario.

PROVINCE OF ONTARIO SAVINGS OFFICE

Hon. Mr. Nixon: As the members may recall, last November during the Ministry of Revenue's estimates I said I hoped to be able to announce certain improvements in the services offered by the Province of Ontario Savings Office to its clients, the citizens of Ontario.

It gives me great pleasure to tell the members that the first of these improvements begins today with the introduction of POSO's first daily interest savings-chequing account. It will come as no surprise to the members to learn that we are calling this the Trillium account, which will in part remind depositors that the government of Ontario fully guarantees every dollar of each deposit.

In addition to this security, the Trillium account will pay daily interest on every dollar in an account. There is no minimum balance required before interest starts accumulating. For deposits under $5,000–this is for the benefit of my colleagues–the rate is currently six per cent, which compares favourably with those offered by other major financial institutions. This rate will increase to seven and a half per cent when the balance in the account is $5,000 or more.

As well, there will be no service charge for cheque processing when there is a minimum monthly balance of $1,000 and there will be no charge for deposits or cash withdrawals made over the counter.

2:10 p.m.

The Trillium account is the first major change since 1923 in the services offered by POSO and is thus a significant milestone in its 65-year history. I want to point out to the honourable members that my father was a strong supporter of POSO then, when he was Provincial Secretary of Ontario.

I have been provided with a ledger account for sheet number 1 of the Province of Ontario Savings Office, which is the account of Harry Corwin Nixon, showing a deposit of $100 on March 1, 1922. To be fair, I should add that the whole amount was withdrawn in June 1922, which may have been an indication of more prescience than I enjoy. However, he was a strong supporter, as I am now, of its chief aim–

Mr. Rae: Why did he take the money out then?

Hon. Mr. Nixon: If he had left it on deposit, perhaps I could pay some of my bills and those of the honourable member.

Its chief aim was to make low-cost loans to Ontario farmers. This provision was rescinded in 1923 by the government of the day, which followed the United Farmers of Ontario–a Conservative government, I should add–and it was never restored.

Since then, however, and for more than six decades, POSO has offered Ontario citizens a place to put their savings which is a little different from the average bank or trust company. As those who are fortunate enough to bank with POSO can attest, it is a place where personalized service comes first and foremost. Our staff know their depositors, and this makes for a tremendous client loyalty. In many branches we have accounts that have been current for more than 40

years, and we are dealing with the third generation in a family.

Let me assure the members that under the present government, POSO will continue not only to exist but to flourish as well. We believe we have a responsibility to offer our citizens a place to put their savings which is guaranteed absolutely by the government. I remind the members that there is a POSO office in the Macdonald Block and I encourage them to drop in, as I did, and open a Trillium account at their earliest convenience.

ORAL QUESTIONS

DRUG SUBSTITUTE

Mr. Grossman: I have a question for the Minister of Health. There is currently in the Drug Benefit Formulary a drug known as apo-ibuprofen, which is treated as a substitute for a drug called Motrin, a brand-name drug.

I trust the minister is aware that this drug is treated as therapeutically interchangeable by the ministry. It is a very popular drug, which is used by seniors and others in controlling the acute pain of arthritis. Some time ago, a report was produced by the producers of Motrin indicating the generic drug is not interchangeable. The ministry's own Drug Quality and Therapeutics Committee agreed early last year it was not interchangeable.

Mr. Speaker: Question, please.

Mr. Grossman: The previous government instructed the ministry officials to remove the drug from the formulary. The minister has not seen to it that this has happened.

Can he tell us why the current government has overruled the earlier government's decision to withdraw this generic drug from the market and why it is continuing to permit thousands of seniors every day to take a pill that is not therapeutically interchangeable?

Hon. Mr. Elston: As the honourable gentleman knows, the formulary in effect on January 1, 1985, continues to be in effect and cannot be changed as a result of litigation. There would have been a July 1 formulary in place had there not been difficulties with respect to quotations of prices on other items that had been submitted.

Two court cases were started, one to enjoin us from printing a formulary if we accepted certain submissions, and the other to enjoin us if we printed the book and did print those submissions. We were unable to do that. We hope to deal with the new formulary and the new needs as soon as we are able to get our legislation in place and, as a result of that, put in place regulations that will allow us to make changes in the formulary.

Mr. Grossman: With respect to the minister, the ministry always has had and continues to have the legal right to put out addenda to the formulary and to put out corrections at any time. It has not been enjoined from doing that at all by the court action.

Therefore, in view of the minister's first response, can he indicate why, since the court actions do not limit in any way whatsoever his right to correct the formulary, he is permitting thousands of senior citizens to take daily a drug that is not therapeutically interchangeable? He is not stopped from correcting the book. Why is he allowing it to happen?

Hon. Mr. Elston: That interpretation is obviously one the honourable member holds. I can go further with my legal counsel and provide the House with an update of our interpretation of the injunction that is now in effect. I will provide the House with a fuller, more complete answer with respect to this whole question at a later date.

Mr. Rae: Surely the minister can give us an answer to this very basic question: Is it the view of the Ministry of Health that the drug mentioned by the leader of the Conservative Party is interchangeable with Motrin or not? This is one question that is purely factual and can be answered.

If it is the view of the ministry that it is not interchangeable, is the minister really saying he is powerless to change any drug that is on the list until such time as litigation has been completed? We could be looking at a paralysis of the system for another six months or even a year.

Hon. Mr. Elston: The question is not one of paralysis which would I think continue after the legislation that is before us was passed. As the honourable member knows, we are now in the process of setting up a system whereby the Ontario drug benefit plan can be much better managed by the province.

On the issue of whether the item raised by the member for St. Andrew-St. Patrick (Mr. Grossman) is interchangeable, there are considerable amounts of legal activity even with respect to that drug. He would know, as would his colleagues who are former Health ministers, that several actions of litigation have questioned whether a particular drug is interchangeable. As I understand it, the issue of the interchangeability of the drug has not yet been resolved, and it continues to be put forward, particularly by its producer, as being completely interchangeable.

Mr. Grossman: I want to disagree with the minister in asking the final supplementary. First, his own drug quality committee has said it is not interchangeable. Second–and the minister may not be aware of this, but he should be–the federal government, through the health protection branch, has confirmed that the drug is not equivalent. Third, no action that has been brought with regard to this drug stops him from following the advice of his own committee or of the federal government.

Why has the minister not put out an addendum to the drug formulary to tell the thousands of seniors who are taking these pills every day that both his own ministry and the federal government have found they are not interchangeable? I remind the minister that when it came to an allegation with regard to wine, his government moved in 24 hours. When it comes to thousands of drugs for seniors, he does nothing for at least a year.

Mr. Speaker: Order. The question has been asked.

Hon. Mr. Elston: I have to disagree with the honourable gentleman when he makes his analysis of this problem with respect to the wine and the fact that we have done nothing. If one wants to take it to the situation where he feels it should have been done on 24 hours' notice, he should have done it.

Mr. Grossman: We did.

2:20 p.m.

Hon. Mr. Elston: No, the member's party did not do it. He should be very careful about how he indicates his actions, because he always overestimates the impact of some decisions that were not completely taken on his part.

Let me tell the member that I will come back to this House and provide a more complete statement with respect to the controversy surrounding apo-ibuprofen as it reflects not only some of the indications the honourable gentleman has made but also with respect to some of the concerns that have been raised by both the producer of that product and the originator of the product Motrin, which was the original product.

Mr. Grossman: It will be thousands of pills later before the minister reports to this House. It if was wine, it would be off the shelves in an hour.

Hon. Mr. Elston: Wrong again.

Interjections.

Mr. Grossman: That is the record. The member should tell the seniors in Niagara Falls that it is okay.

[Later]

Hon. Mr. Elston: On a point of order, Mr. Speaker: In answering an earlier question from the Leader of the Opposition, I left the impression that I did not feel we could withdraw the drug ibuprofen from the Drug Benefit Formulary on a unilateral basis. In fact, I was mistaken. Having contacted my ministry officials, I wish to make it very clear that we could move to take ibuprofen from the formulary. Equally as mistaken was the opposition leader, inasmuch as the federal authorities have given a licence to the generic manufacturer to produce ibuprofen. They have given a certificate of interchangeability to the manufacturer of that drug so it is now licensed by the feds as an interchangeable product. The Leader of the Opposition was mistaken.

In addition to that, the Drug Quality and Therapeutics Committee is awaiting information from the federal authorities so that we are looking after this request–

Mr. Speaker: Order. I was listening carefully. The member was within his rights in getting up to give a personal explanation of what he had said. He has done that, so we will go on with the next question.

URBAN TRANSPORTATION DEVELOPMENT CORP.

Mr. Grossman: I have a question of the Minister of Transportation and Communications. He was in his place earlier. Is he speaking with John Kruger?

Hon. Mr. Peterson: Ask me.

Mr. Grossman: Okay, I will ask the Premier the question. I had the opportunity on Saturday to meet with members of the United Auto Workers local in Kingston to listen to what they had to say about their concerns over their jobs at the Urban Transportation Development Corp.

I talked to one worker who was in the process of moving his family from London but now has stopped that move because he feels his continued employment at UTDC is in jeopardy. He now sees his wife and children one weekend a month. This whole situation of human suffering has been caused by the uncertainties due to the government's decision to sell UTDC.

Can the Premier tell that worker and the hundreds of others I met with on Saturday at UTDC the exact state of the government's determination to sell UTDC out from under them and take away their jobs?

Hon. Mr. Peterson: I assume my colleague opposite told the worker, whose plight he

mentioned in this House, that the insecurity with respect to the jobs is because his former government cancelled the intermediate capacity transit system. It was his government that did it and caused the job rationalization.

I assume the Leader of the Opposition (Mr. Grossman) was as honourable then, as he indicated on various other occasions; that he stood up and told him the facts surrounding the job rationalization that is currently going on at UTDC. I assume he did that because he would not want to leave any mistaken impression about what his government did and what we are trying to do to salvage the situation. I am sure he would not want that.

Let me go on. I will answer the question the Leader of the Opposition wanted to ask. We are, as I said before, discussing a potential sale with, at this point, three potentially interested parties, as well as groups of employees.

One employee came and had some discussions. He was not exactly an employee but someone who was associated with UTDC from the Kingston end of the operation. There were some representatives from the Thunder Bay end of the operation who had some concerns about jobs and were potentially interested in putting forward a bid. All those groups are being talked to.

Nothing has been signed at this moment, as the member is very well aware. I am sure he is aware and I am sure he told the employees that he talked to that if there is a sale, and that is by no means predetermined, then it would be done to protect jobs and not let this rationalization caused by the member's former government to continue until it was rationalized down to nothing.

Mr. Grossman: I was fair enough to tell them that the Premier was prepared to guarantee half of their jobs, as indicated in the letter he sent to the prospective purchasers. I shall also say they indicated to me there is a long list of companies in the area that are concerned about layoffs, not because of the project the Premier is talking about, not because of the 100 jobs that were affected by the GO advanced light rail transit situation, but because of the potential sale of UTDC.

If the Premier's disagrees with that analysis, perhaps he might find some time to go not only to Vancouver and open the project there but also to visit with the UAW in Kingston. He may want to share with them his opinion as to why 79 firms in the Kingston area alone are facing layoffs, nine from the Belleville area and three from Napanee, all because of the fear over the potential sale of UTDC.

Mr. Speaker: Question, please.

Mr. Grossman: Would the Premier be prepared to indicate to us, and table in this House, any and all studies done with regard to the potential impact of the sale of UTDC and the implications of guaranteeing only one of every two jobs currently in place at UTDC? What studies does he have?

Hon. Mr. Peterson: My friend opposite continues to make wild and extravagant statements about this, and other things as well, that border on the irresponsible. He should read back in Hansard and ask himself whether he really wanted to say those things.

I have told him in a very forthright way what we know and what we are looking at in this situation. He tells me that 79 firms are going to close down or lay off people because we are contemplating a sale that is designed to enhance employment and to allow UTDC to grow. He and I know the assertions he has made in this House are rubbish.

Mr. Rae: The Premier will surely recognize that the length of time he and the government have allowed speculation to carry on has contributed to people's sense of insecurity and has affected the marketability of certain products. The Premier knows that is the way it works. That is the consequence of the government having let this thing hang out for so long with such a degree of fuzziness.

Specifically, is the Premier aware of a telegram, of which I have received a copy, that I understand has been sent by Mr. White, the president of the auto workers in Canada, on behalf of locals in Thunder Bay and Kingston asking for a meeting prior to any government decision with respect to a sale? Can the Premier give us a guarantee that the real travesty that has occurred with respect to de Havilland will not be allowed to recur with respect to UTDC and that everybody will be kept fully informed before and not after any decision is made with respect to UTDC?

Hon. Mr. Peterson: The honourable member can see the inherent contradiction in his question. On the one hand he criticizes me for discussing these matters and the government's intentions in public; and on the other hand he says we should discuss everything and he wants to be fully informed of what is going on all the time, presumably he wants the deal negotiated in public. He cannot have it both ways.

One of the realities is that we are living with public scrutiny. We recognize that and we have been very forthcoming with the people of this province with respect to our views on privatization. In addition, we have taken the view of former Minister of Transportation and Communications James Snow; I believe he was trying to privatize it. The previous government was making moves along those lines. I have talked with the board and the management and there is a general consensus that is the way to go at this point to allow UTDC to grow and continue to create employment, with research and technology jobs here in Ontario. We are following that up.

When the member asks me a question in this House, as he has every right to do, I am prepared to tell him the status of and where we are in those discussions. As I have said, it appears that there are three serious bidders at the moment. Although that has not been formalized or signed, there have been some discussions with all of them. If a group of employees comes along that is interested and has a proposal that is better in the areas of securing jobs and research and development, is better with respect to the cash offer to the taxpayers of this province, and is going to help that company grow, we will be interested. That is the stage at which we are at the moment.

Mr. Grossman: The Premier is standing in this House in the calm and deliberate way he has been schooled to do. Meanwhile, on Saturday afternoon there were workers who took the day to come to a meeting because they are frightened and scared about their futures. They have not seen their families in a long time. In some cases, they have bought homes depending on the future of UTDC and now see their life investment dwindling away.

If the Premier thinks some of the allegations we have made here, while factual, are in his view irresponsible, I tell him there is a bunch of frightened and scared people in Kingston, and not he, the local member or anyone from his office or UTDC has found his way to address those frightened and scared workers.

Mr. Speaker: Question, please.

2:30 p.m.

Mr. Grossman: Does he today give a complete and full undertaking, without being cute about the words, that all the information shared with Bombardier, which the Premier trusted it to keep confidential, will be shared with solicitors for the workers at UTDC, at VentureTrans, on a confidential basis to allow them to make an offer?

Hon. Mr. Peterson: I am sorry, I forgot to answer a question earlier and I would like to do so. I have not received a telegram from Bob White. As far as I know, the staff is not aware of one. However, I will phone him this afternoon after question period, see if he has something in mind, and I should be very happy to meet with him and his representatives immediately.

To answer the question of the Leader of the Opposition, Bombardier has not received any confidential information and neither has anyone else at this point. As he knows, the process goes like this: there is a prequalification process in which serious buyers are separated from ones who are not. Then a deposit of some type or other will be put up and those serious people will be invited to look at the confidential information, which is engineering and that type of thing, confirming that what is held out to exist does exist.

Indeed, if the member's group of employees from either Kingston or Thunder Bay are serious and want to make a bid, they will be able to operate on exactly the same terms and conditions as Bombardier. We want the process to be open and fair. As I said earlier, there are at least two other companies in addition to Bombardier which are potentially very seriously interested. If there are more, they will be welcomed into it.

Mr. Grossman: If the Premier has not given them any confidential information, why does he not give it to us? If it is not confidential, why does he not give it to us?

Hon. Mr. Peterson: It is because the member would not understand it.

Mr. Epp: The member had it for 42 years.

Mr. Rae: Forty-two years of arrogance does not justify another six months of it.

Mr. Speaker: Order.

PENSION FUNDS

Mr. Rae: I should like to ask the Minister of Consumer and Commercial Relations a question with respect to private pensions. Is he aware that at the same time as his administration is refusing to consider the possibility of the indexation of private pensions for ordinary contributors, in 1984-85 his ministry approved the payout of $176 million to 70 currently active plans, to employers, which was money paid into the plans on a noncontributory basis on behalf of employees? Is he aware of those payouts and does he approve of them?

Hon. Mr. Kwinter: The payouts were made, and it does not make any difference whether I

approve of them. However, I can tell the member the whole area of pensions is under review. We have the Pension Commission of Ontario doing it. We are working in conjunction with the Treasurer (Mr. Nixon). We are looking at that.

Mr. Rae: While the minister is looking at that, the ordinary person is being ripped off in spades and the minister is sitting there doing nothing about it. That is what is happening with respect to pension plans. How does the minister feel about the fact his government is refusing to index pensions at the same time as it is forking out $176 million to employers who have made those contributions on behalf of employees? Does the minister think money paid into a plan by an employer on behalf of an employee belongs to that employee or not?

Mr. Kwinter: Yes, I think it belongs to that employee and I am saying we are reviewing it.

Mr. Rae: If the minister thinks it belongs to them, why is he allowing the employers to take it out of their pockets legally? It is legalized theft and the minister is sitting there doing nothing about it. How can the minister sit there and justify refusing to allow indexation at the same time as he is allowing a ripoff of those surpluses which belong to the workers of this province?

Hon. Mr. Kwinter: I repeat that at present we are reviewing that situation and if it has some merit and justification, we shall adjust it.

Mr. Andrewes: That is a lesson in Economics 100.

Mr. Rae: The members of the Conservative Party sat there and did nothing about it for a generation so they have no right to speak on it at all. My God, they sat still and did nothing about it. We raised these matters with Dr. Elgie years ago and they did nothing about it.

INSURANCE RATES

Mr. Rae: I would like to ask the Minister of Consumer and Commercial Relations a question with respect to the insurance companies for which he has been such an avid advocate the last while. In his statement the other day he said, in addition to the excessive price competition that produced the so-called rate-cutting wars of the early 1980s, that I think most of us missed but nevertheless I am sure were of interest to those involved, the second cause of the crisis affecting the industry is what he described as low interest rates that have reduced insurance industry investment revenues.

Is the minister aware that in 1982, according to the latest Statistics Canada figures–and these are third-quarter figures I am comparing–total investment income was $279.5 million, in 1983 it was $292.8 million, in 1984 it was $325.3 million and in 1985 it was $343.8 million? I ask the minister, is $343.8 million more than $279.5 million or not?

Hon. Mr. Kwinter: The member of the third party is using broad, overall insurance figures to justify his argument. He should be aware that of the approximately 150 insurance companies that are in business, only 20 are in the liability field and they are the ones having the major problems.

Mr. Rae: These figures I am giving the minister are from property and casualty insurers. Is he telling us that $343.8 million is less than or more than $279.5 million?

Hon. Mr. Kwinter: I have already answered that it was more. I am saying that the people who are in the property and liability insurance business cover the whole spectrum of the insurance field. There is no problem at present with insuring one's home, articles or things of that kind. The problem is in liability insurance. That is the area that is a problem.

Mr. Grossman: When the minister is expressing concern about overall figures, does he not agree that one of the problems here is that the insurance companies may be overreacting to a couple of large settlements and projecting from those one or two large settlements the implications right across the board? Has he taken the opportunity to sit down with the insurance companies and ask them to moderate their increase because they may be overreacting to those two or three individual cases?

Hon. Mr. Kwinter: I met with the representatives of the Insurance Bureau of Canada this morning and we discussed exactly that problem. The Leader of the Opposition (Mr. Grossman) should know that when we are talking about these large awards, they represent fewer than one per cent of the awards. The big problem is that under the Family Law Reform Act and some of these other things, the basic awards are increasing dramatically. Those things are happening and they are creating some problems.

I have asked the task force and the insurance industry to take a look at what they are doing. They are going to examine it to see if that is the problem.

Mr. Swart: In view of the fact that there has been a substantial increase in interest income for the insurance companies and a substantial increase in net income–their third-quarter net income this year is $137 million, up 30 per cent

from the same period in the previous year and up 22 per cent from the previous quarter–if the minister's intent is to go ahead with the silly task force that is only going to provide information he ought to already know, why does he not impose a freeze on the rates until that task force reports?

Hon. Mr. Kwinter: Under the existing legislation, the only control we have over insurance rates is on the Facility Association. Before we can impose any kind of freeze we have to bring in some legislation, and we are going to look at the task force recommendations and act on them.

2:40 p.m.

ROOMERS AND BOARDERS

Mr. O'Connor: I have a question of the Minister of Housing. The minister will be aware that the Attorney General (Mr. Scott) undertook on December 11, 1985, at a meeting of the Rumours Group, which is a group of roomers and boarders in Toronto, to fight for the inclusion of roomers and lodgers under the Landlord and Tenant Act. Can the minister tell this House what steps he has taken in response to that commitment by the Attorney General?

Hon. Mr. Curling: The honourable member will be aware that we expressed a concern about the protection of roomers and boarders in that respect. I am setting up a task force immediately to look into the problems that roomers and boarders face. It is not easy to bring in legislation unless we understand fully the implications of the problems they face.

Mr. O'Connor: The minister will understand that there are buildings in downtown Toronto containing apartments subject to the protection of the Landlord and Tenant Act, side-by-side with those containing rooms lodging roomers and lodgers that are not subject to the protection of the Landlord and Tenant Act. These roomers can be thrown out on a moment's notice, without the usual notice, and their rents can be increased by more than the four per cent permitted for apartments.

The Attorney General gave a commitment that he would include those people under the Landlord and Tenant Act. Has the minister acted on that commitment? When does he intend to do so?

Hon. Mr. Curling: As I said, we are concerned about roomers and boarders. We would love to have included them in our policy. We realize how serious the problem is and that it is not an easy one.

The task force will be looking at all the implications of that. I am not in a position to give an answer concerning the legal implications the member is asking about. If he wants to ask the Attorney General, he may do so.

Mr. McClellan: I am sure one of the reasons the minister was reluctant to include roomers and boarders under the tenant protection legislation was he was afraid of the historic opposition the Conservative Party has had to it. However, now this opposition has been lifted and the Conservatives are on side, and it is obvious all three parties agree that roomers and boarders are entitled to the same kind of tenant protection as any other tenants, may I ask the minister simply to prepare amendments that can be brought forward and passed ever so quickly–unanimously, in fact?

Hon. Mr. Curling: I can give the honourable member the assurance we will prepare legislation to include roomers and boarders. I take a view different from that of my honourable friend. I will include the members over there. They are very learned and very informed about what not to do, and I will ask them to give me that information.

INSURANCE RATES

Mr. Swart: I have another question of the Minister of Consumer and Commercial Relations. In preface, I will say that after last week even he must have come to realize that the insurance problems I started to raise with him last August 26 and that he has ignored since then were very real.

Today I want to ask him about this horrendous problem as it pertains to the trucking industry. He will meet very soon with the Ontario Trucking Association, and it will ask for a loan guarantee either to purchase the United Canada Insurance Co. or to set up its own nonprofit co-operative scheme. Will the minister give, and I use these words advisedly, a favourable response to that request?

Hon. Mr. Kwinter: I have told members in the past that the United Canada Insurance Co. is under negotiation. I had expected to meet with the truckers this afternoon at four o'clock. I have just been informed they have cancelled the meeting pending further information.

To answer the honourable member's question, I cannot tell him what I am going to do for them because they have not asked yet. I will give them every consideration, and when I meet with them I will do everything I can to help them.

Mr. Swart: The minister is just as vague on this today as he has been on a hundred other

questions that have been asked of him in the last six months.

Is it not true that the minister has a letter from a Raymond Cope, the general manager of OTA, dated December 4, in which he made it very clear that they will approach him for a guaranteed loan? If so, will he now give this House the assurance that he will look with favour on that request?

Hon. Mr. Kwinter: I just said I would look with favour at their request. They have not asked for it yet. When they do, I will look with favour at it.

Mr. Gregory: I heard the minister's answer last week when I asked him a similar question in regard to United Canada. The member to our left seems to have got much the same answer I got, which was no answer at all.

Is the minister telling me his course of action for insurance for truckers is to depend entirely on the consummation of the sale of that insurance company? Does he not feel he has a responsibility to investigate other insurance companies handling this type of product, rather than depending on just one?

Hon. Mr. Kwinter: At present there are three companies that provide insurance for truckers, the largest of which is United Canada.

In the meantime, we have made arrangements with the Facility Association to cover any trucker who requires it. We do not know what the resolution of United Canada will be. On Saturday, I spoke to Barbara McDougall, who is working on it, and we hope to have a resolution. Everybody agrees that if United Canada can be saved and can become a viable insurer, it will solve the problem. That is the area we are looking at.

In the meantime, when the people who are trying to buy it approach me, not only the truckers but also another group that is trying to buy it, we will look at their requests with favour and try to help them out. I cannot anticipate what I will do for them before they ask me for that help.

MULTICULTURAL GRANTS

Hon. Ms. Munro: In response to question of the member for York West (Mr. Leluk) regarding the amount by which requests for multicultural service program grants exceeded the available funds, the program was oversubscribed by $916,000. At the same time, I would like to point out that historically, requests have always exceeded the allocation. I am pleased that we have been able to serve, through this program alone, 76 organizations this year, as compared to 58 organizations last year.

TRADE OFFICE

Mr. Speaker: New question. The member for Muskoka.

[Applause]

Mr. F. S. Miller: My retirement is over.

In the absence of the Minister of Industry, Trade and Technology (Mr. O'Neil), I would like to ask a question of the Premier. He received a letter from the mayor of Philadelphia and a letter from a senior representative of the House of the state of Pennsylvania, and Mr. Pilkey received a letter from the AFL-CIO, about the closure of the ministry's trade office in Philadelphia a scant year after it opened.

In view of the fact the budget of that office was about C$220,000 and in its first year it had $27 million in assigned-for sales in a state where we do $3.5 billion worth of mutual trade, why did the government close the office?

Hon. Mr. Peterson: Would my honourable friend like the job? I might reopen it.

The member will be aware we have had several changes in the orientation of our trade offices. We closed the office in Brussels and the office in San Francisco, which was redundant with respect to the Los Angeles office, and we felt the Philadelphia office could easily be handled through New York and Boston.

We believe the limited resources for trade development should be put into new areas, particularly the Pacific Rim and some of the areas of the emerging world, where in the long term the taxpayers of this province will get a much better yield. That is why we made the judgement we made. We felt all the things being accomplished through that trade office could be accomplished through New York and Boston.

We have a number of offices in the United States, as the member knows. We will not miss anything. We will save money and be able to expand in other areas that will yield a much higher return over a long period of time.

2:50 p.m.

Mr. F. S. Miller: In a case where one has a market of $3.5 billion, $220,000 is not a big issue. I do not think it is either-or with the other eastern rim issues. If we look at the government's own policy of opposing free trade with the United States and the alternatives, we see one of the alternatives has to be to work to reduce nontariff barriers and gain access for Ontario and Canadi-

an goods to the American market. That is the only viable alternative.

As the Premier knows, that office had been successful in seeing a Buy American act changed to a Buy North American act and easing problems with the steel industry. How can the government have two such contradictory programs, close an office and still oppose free trade?

Hon. Mr. Peterson: With great respect, I think my honourable friend is oversimplifying this thing quite dramatically.

Part of our strategy is to put more emphasis on a multinational round. We believe one of the structural problems we have in Ontario, indeed our country has, is we are too dependent as a country on trade with the United States. Of course that speaks to the problems we have right now; that is why we are looking to some of the emerging areas of the world today.

Believe me, I am mindful of the responsibilities we have in Washington to put our case forward. I have been there, as has the member, to put forward the case eloquently. I am mindful of the problems in the steel area he speaks to, but I think we can accomplish all of that. With respect to the member's figure of $220,000, I take that seriously. I think we have an obligation to treat every penny of taxpayers' money with great respect.

Mr. Rae: Can the Premier tell us the logic of closing that office at a time when we are not only attempting to deal with the problem which has been described by the member for Muskoka, but also when we are also attempting to convince midwestern American states, of which Pennsylvania is certainly an important component, to move with us not only with respect to trade issues but also on the environment, particularly as it affects the Great Lakes and as it affects acid rain?

What is the logic of that cut? Was the cut the consequence of some considered approach that came up with respect to advice that was given to him, or was it simply done as a whim at the very end of the budget process because the government felt it had to show it was being tough with respect to cuts and it took one here and took one there, because that is exactly what it looks like?

Hon. Mr. Peterson: I can assure the honourable member that is not the case. It was part of an overall strategy with respect to trade that I articulated a moment earlier in response to the member for Muskoka, because we do feel we have to put our resources into the areas that have the greatest potential over the long term.

Let me just mention another point. The leader of the third party suggested we should be lobbying on acid rain and other things. This was not a lobbying office. This was a trade office. If he is suggesting an Ontario House in Philadelphia, Pittsburgh or somewhere else to do that kind of thing, then so be it. These offices are essentially responsible for trade and unless we considerably increase the resources and turn them into lobbying operations, it is not going to happen that way. That is what our New York and Washington operations are for. We have a lot more work to do in Washington than we have done in the past. There is no question about that, but I think the member will see that our strategy is relevant to the long term and the real opportunities of this province. We are concentrating on dealing with those fundamental problems rather than just patching it up here and there.

MINIMUM WAGE

Mr. Mackenzie: I have a question for the Minister of Labour. Last July, the minister said that prior to the 1984 increases in the minimum wage the Tories had done nothing for three years, that this had put Ontario behind most other provinces and that it had also hurt those at the minimum wage because they did not get a retroactive settlement when there was an increase. As another 15 months have gone by since the last increase and we are again falling behind the other provinces, will the minister tell us what happened to his July commitment to bring an increase before cabinet before or by this past fall?

Hon. Mr. Wrye: I am not sure my honourable friend is correct that we have fallen substantially behind a number of provinces. The only two provinces that are ahead of Ontario are Saskatchewan, which I believe is at $4.50 an hour; and Manitoba, which is at $4.30 or $4.35 an hour. The Quebec government has indicated it is reviewing its $4 an hour minimum wage and the federal government has recently moved to $4; I believe that was at the beginning of this month.

The matter of the minimum wage and its appropriate level is under review. In a number of meetings I have held with business and labour, the government found that one of the things requested, particularly by the tourism industry, was that we give industry some lead time. I am sure the member is aware that many tourist operations post rates for the coming tourist season well in advance, and we did not feel it was an inappropriate or unreasonable request.

Our review of the minimum wage is ongoing and is very active. I agree with his sense that more regular increases in the minimum wage would be appropriate, particularly as there is no

retroactivity. Business agrees that more regular and smaller increases would be more useful to the small business community.

Mr. Mackenzie: Is the minister aware that workers in Ontario would today need $4.35 an hour just to match what they were getting in 1981? As they are earning less than $8,400 a year, is he prepared to assist them with an appropriate increase and by indexation to ensure there is a small measure of fairness in the future?

Hon. Mr. Wrye: My friend provides an interesting figure by going back to 1981. One can choose, as I am sure he knows, any appropriate date one wishes.

The matter of an increase is under review. I think the time frame for a review ought to be shortened to annually or thereabouts because there is no retroactivity. Obviously, these reviews would have to take place in the economic climate that prevails. As I am sure my friend knows, an increase that was inappropriately large or in a time of economic downturn could have a serious effect on jobs, particularly jobs for students, who in many cases are the main recipients of the minimum wage, and jobs for women, who represent two thirds of the minimum wage force.

Mr. Gillies: I am pleased to hear the minister take into consideration the requests made of him by certain industries, including the tourism industry, about the question of lead time. It is a change from the position he took in the ministry estimates. When does the minister propose an increase and how much lead time does he propose to give those industries?

3 p.m.

Hon. Mr. Wrye: I suggested to the member for Hamilton East (Mr. Mackenzie) that the matter is under active review. I believe the industry knows that. As recently as this morning, I met with representatives from Canada's Wonderland. When they arrived at my office at 9 a.m., they were well aware that the minister and the government had taken the view that a review of the minimum wage ought to yield some change at an appropriate point. Their view is that the change ought to take place in the fall. I noted for them that the last time the previous government made a change, it made it in March 1984, to the tune of 35 cents, approximately a 10 per cent increase, followed by another 15-cent increase in October 1984. So there is no magic to the time of year.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Wrye: However, the fall appears to be the one that is most favourable.

ONTARIO FAMILY FARM INTEREST RATE REDUCTION PROGRAM

Mr. Stevenson: I have a question for the Minister of Agriculture and Food.

I am very pleased to see the minister has extended the Ontario family farm interest rate reduction program; however, I would like to ask him a question. More than five months ago, he heralded the announcement of the OFFIRR program and stated it would help some 15,000 farmers immediately. The program has received a phenomenal amount of advertising and publicity from many different sources during that period. How does he account for the very poor uptake, the disappointing response from farmers to date?

Hon. Mr. Riddell: Benefiting from my schooling in being calm, cool and collected, I want to take this opportunity to welcome the honourable member back to the Legislature. If indeed he was ill, I sincerely hope he has had a complete recovery. We did miss him, though.

In answer to his question, I will tell him that one of the reasons the farmers have not taken up the program to the extent we thought they would was the distrust farmers have for government programs because of option C of the Ontario farm adjustment assistance program, which the previous government introduced and which got many farmers into trouble.

I want the member to know the program has been far more accepted than any program the previous administration ever introduced. They never had 6,000 people apply for any program they introduced; we have had 6,000 people in five months apply for OFFIRR.

There are a number of other reasons the farmers have not taken up the program. One of them was a late harvest. As the member well knows, a lot of farmers were having difficulty getting their crops harvested, and when they are out with their combines they are not going to be spending a whole lot of time filling out forms, some of which are complicated. There is no question about that; some of the forms they have to complete are very complicated. We must have complete forms to ascertain how much money these farmers qualify for.

Those are the reasons the farmers have not been as quick to take up the program as I had hoped.

Mr. Stevenson: I am glad to be back in the Legislature this week. One cannot always plan the dates of deaths in one's family. If the minister was trying to be funny about it, believe me, it was not very funny.

It is quite true that the uptake so far is exactly 40 per cent of what the minister had hoped for five months ago. Would he not agree that if he had increased the staff in the local agricultural offices to work with farmers at a time of severe agricultural stress and assist with the completion of these forms, the number of applications would have been substantially higher than it is today?

Hon. Mr. Riddell: No, we do not feel we are that far behind in processing these applications. They are coming in, as I say, at a rate of 100 to 200 a day and we are expediting the process. I do not think we are the cause of the farmers not receiving their money to this point.

I have to correct the figure the member used. Never did I get up and say 15,000 farmers were going to be helped by this program. The figure has been 10,000 farmers. We have received applications from 6,000 over five months. That is not a bad average.

REGIONAL MUNICIPALITY OF HAMILTON-WENTWORTH

Mr. Allen: I have a question for the Minister of Municipal Affairs. He will recall Bill 39, providing for the general election of the regional chairman of Hamilton West and for a majority of regional appointees on the police board, was passed on November 7 by this House without a dissenting vote and ordered for committee of the whole.

Will the minister tell us whether he will be proceeding in this session with the bill, as instructed by the House; and if not, why not?

Hon. Mr. Grandmaître: I assure the honourable member that Bill 39 will be back before the House.

Mr. Allen: I thank the minister for that answer and for his assurance. I remind him and the House that in the regional vote on the referendum on that subject last fall, overall support for that measure was 77,259 to 13,836. The minister will certainly gain the plaudits of our region if he brings that back to the House, and I ask him only whether he can be a bit more precise about the date.

Hon. Mr. Grandmaître: I have spoken to the regional chairperson and I can tell the member only that Bill 39 will be back before the House. I cannot give him an exact date, but I hope it will be within the next six weeks.

Mr. Dean: I would like to be a little more precise about the intentions of the minister. I presume he fully realizes there are some downsides to what looks like a good, democratic suggestion. Has he actually considered fully the implications that such a move would have, not only in Hamilton-Wentworth but also in other regions of Ontario?

Hon. Mr. Grandmaître: I can assure the honourable member that I have spoken to other regional chairpersons and that my ministry is open to any option or to any new mode of election or representation for regional governments. The responsibility rests with the regional municipality, and it should not be dictated by the Minister of Municipal Affairs.

EMERGENCY FACILITY

Mr. Gillies: My question is for the Minister of Health. This party would like to try for the third time to get some answers from the minister about the situation at the Willett Hospital in Paris. Quite apart from the history of this issue, of which the minister is aware, he now has a letter endorsed by 34 doctors in Brant county that reads in part: "The situation at the Willett Hospital is now at total breakdown point and patient care is suffering."

I would ask the minister which of the following three courses of action he is going to take. Is he going to act on the recommendations of the Noonan report? Is he going to carry through with a public inquiry, as he promised to do when he was in Paris in October? Or is he going to do nothing and allow the situation to continue to deteriorate?

Hon. Mr. Elston: As the honourable member has said, I was at the Willett Hospital in October, at which time I indicated there would be a public inquiry. After I had visited that institution, it was brought to my attention that the local people wanted to work through and try to settle their differences in the community. I said I was very pleased they wanted to do so.

I have allowed them an opportunity. In fact, I have met not only with the past mayor of the town of Paris but also with the new mayor of Paris, both of whom requested that I allow the council an opportunity to work in concert with the board and with new board members to try to come up with a workable solution.

The problem that has arisen, I understand, is that I will be in receipt very shortly of a resolution of the council indicating it cannot come up with a local solution and urging me to go ahead with the inquiry. I am prepared to do that.

The letter the member speaks about comments on several things, including the fact that they disagree with the appointment of the head of the medical staff at Willett, and a number of other items have to be addressed that do not alone comment directly on the operation of the hospital.

Let me be very clear, however, that as soon as I receive word from the council–and I understand it is coming–that it has been unable to find a local solution, I will be prepared to move ahead with a public inquiry and to work along with the community under the auspices of that public inquiry to try to work out solutions to the difficulties in Paris.

3:10 p.m.

Mr. Gillies: I thank the minister for his answer and I am very encouraged that he is prepared to look at a public inquiry. However, I would like to pursue the concern expressed by members of the Brant County Medical Association about the new chief of staff at that hospital. As best we can determine, the sole criterion for his selection was that he is a former candidate for the Liberal Party. Will the minister undertake to consult with the doctors on staff at the Paris Willett Hospital to ensure that a doctor is placed in charge of that hospital in whom the other physicians in the county have confidence, and not just some Liberal hack?

Mr. Andrewes: Patronage, the pork barrel; here it comes.

Mr. Speaker: Order.

Hon. Mr. Elston: The choice of medical staff was not made by this minister or by anyone from this government. It was not made by anybody connected with the Ministry of Health. It was made at the local level. I do not know how it was arrived at. I know there is some concern expressed about that person. I did not know that person was a former Liberal candidate. If he was, he showed obvious good sense.

I can tell the gentlemen who are concerned about politics in this matter that there are no politics being played with this. I have found, in consultation with the local member and with others, that one of the best people to work with to try to come up with a local solution to this problem is the former mayor of the town of Paris. I endorsed his promotion and appointment as a member of the board to help work in a reasonable, sensible and very community-oriented way to find a solution to that situation. I do not think anyone would use that appointment as an example of political patronage.

Interjections.

Mr. Speaker: Order.

Hon. Mr. Elston: I want to dismiss out of hand any indication that member would make that I am playing politics. I categorically deny that I had anything to do with the choice for that position.

Mr. Gillies: On a point of order, Mr. Speaker: For the record, I would like the minister to be aware that another former Liberal candidate is telling people in Paris that he will be the new provincial appointee–

Mr. Speaker: Order.

Mr. Andrewes: The barrel grows.

Mr. Bennett: Without any staves.

Interjections.

Mr. Speaker: Order.

[Later]

Mr. Rae: On a point of order, Mr. Speaker: I am sure we consider all members honourable. I challenge the member for Brantford (Mr. Gillies) to step outside the House and make the comments he made about the director of the Paris hospital outside the House.

Mr. Davis: Why does the member not sit over there and put a red tie on? The Premier (Mr. Peterson) is going to be leaving pretty soon.

Mr. Speaker: Order.

VOTE RECOUNTS

Mrs. Grier: I have a question of the Minister of Municipal Affairs. I am sure the minister is aware that since the municipal elections in November, a number of recounts have resulted in changes in incumbency, have shown gross inaccuracies in the counting and have undermined public confidence in the municipal counting process.

Does the minister agree that where this has occurred, a municipal council should have the authority to do additional recounts where the outcome of the original votes is very close and where the municipal council deems it in the public interest to clarify the situation?

Hon. Mr. Grandmaître: I am quite aware not only of the problems that were initiated in the past election but also of those that have been going on for a number of years. I have spoken to the Association of Municipalities of Ontario to help me in improving the Election Act and I hope a task force including AMO will be presenting a full report on it very shortly.

MOTIONS

COMMITTEE SITTING

Hon. Mr. Nixon moved that the standing committee on administration of justice be authorized to meet in the evening of Thursday, January 16, 1986.

Motion agreed to.

PRIVATE MEMBERS' PUBLIC BUSINESS

Hon. Mr. Nixon moved that Mr. D. S. Cooke be substituted for Mr. Lupusella in the private members' debate on January 16, 1986, and that Mr. Lupusella be placed at the bottom of the order of precedence.

Motion agreed to.

ORDERS OF THE DAY

ONTARIO DRUG BENEFIT ACT
(continued)

Resuming the adjourned debate on the motion for second reading of Bill 54, An Act to Authorize and Regulate the Payment by the Minister to Specified Persons on Behalf of Specified Classes of Persons for the Dispensing of Specified Drugs.

Mr. Gregory: Thank you, Mr. Speaker, for this opportunity to add my comments to the many that have been heard so far on Bill 54. Let me be very quick to admit that I do not have a full understanding of the pharmaceutical business, the chemical business or anything else; however, I do have a fair understanding of the relationship between my constituents in Mississauga East and their local pharmacists. This is where we seem to be–

Mr. Speaker: I am sorry to have to interrupt the honourable member, but there are very large numbers of private conversations that seem quite firm and noisy. I do not know whether they are all necessary, but I ask the members to refrain from their private conversations and listen to the member for Mississauga East.

Mr. Gregory: Thank you, Mr. Speaker. You should have spoken more slowly and the Liberals on the other side would have understood.

In any community, and mine is no exception, the relationship between a citizen and his pharmacist is not unlike the relationship between a citizen and his doctor. It is based on a feeling of trust between the citizen and the pharmacist. Otherwise, people could not go to pharmacists to get prescriptions and feel they were not receiving something that might be harmful. There has to be the basic trust that the pharmacist has the knowledge to prepare drugs. The citizen must have confidence in him.

I see this bill as being somewhat insulting to pharmacists in that it insinuates that they have been getting rich at the expense of the government and citizens. I do not think that is the case–we do not meet too many millionaire pharmacists; there are a lot more millionaire realtors, I suppose–but that seems to be what is coming out of this.

The most important thing that has come out of this debate is the realization that many pharmacists want nothing more than an opportunity to present their case to a standing committee of this Legislature. That has been the outstanding request I have received from all the pharmacists I have talked to in my riding. Many of my caucus colleagues have expressed the same thing, that the pharmacists want an opportunity to bring their concerns to the Legislature by way of standing committee, so they will know at first hand that somebody at least has heard those concerns.

Mr. Haggerty: The member was not listening. That is what the minister indicated in his speech.

Mr. Gregory: The member for Erie should know I have heard that.

3:20 p.m.

I have a letter from the Minister of Health (Mr. Elston) in front of me which includes a list of the groups he sees as satisfactory to come before this committee. He goes on to say, "A total of six sittings would probably satisfy the time requirements of these groups in order for their comments to be heard and taken into consideration." That is fine and that is what the minister has suggested to his House leader. However, I am suggesting to the member for Erie that I do not see anywhere in this where an individual pharmacist is going to be included and allowed to come forward. I see many of the associations.

Mr. Haggerty: They said in the House it would revert to a standing committee of the Legislature for public debate.

Mr. Gregory: My argument is not with the member for Erie. My argument is not an argument at all. I simply request of the Minister of Health that he reconsider his rather rigid position and grant the same consideration to pharmacists that his government was ready to grant to the various boards of education on another bill.

I am not suggesting for one minute that the debate on the hearings on this bill should go on

for ever or even for months. I am merely suggesting that the minister compile a list from each member of this House of the number of pharmacists who have requested to come forward on an individual basis or as a group of five or 10–who cares?–and allow them to come forward and be heard before the standing committee. That is what is being requested.

Simply because the bill states that certain things are just and fair for the community, and supposedly for the pharmacists, the drug companies and everybody else, does not necessarily mean that is entirely so. Things were pointed out in the brief submitted by the Ontario Pharmacists' Association. It came up with many questions and irregularities. I assume the member for Erie has read that. I hope he has. I read it with some interest and recognize that these people–

Mr. Haggerty: I am waiting for second reading to be completed so it can go to the standing committee.

Mr. Gregory: I am glad the member is filling in for the minister. Obviously, the minister does not feel it is worth while to listen to this debate. It is wonderful that he has the member for Erie to make his comments for him. Perhaps the member understands it better than the minister does; I do not know.

The brief from the Ontario Pharmacists' Association points out many concerns. Are we going to say: "You have concerns, but so what? We are not going to listen to you. We are not going to give you the opportunity to present them directly to a standing committee." Perhaps the minister and the House leader between them could agree to be a little less stringent and a little more open. I keep hearing about open government from that side of the House. It is some open government when they will not allow a very upstanding and reputable profession to come in and comment on a bill that affects its income.

Mr. Haggerty: No; the member is wrong about that.

Mr. Gregory: He says I am wrong. All I have is a letter–

Mr. Haggerty: The minister has indicated that as soon as there is second reading it will go to a standing committee of the Legislature.

The Deputy Speaker: Order. The member for Erie will have his chance to speak.

Mr. Gregory: The member is proving a little difficult, but that is not unusual. I understand what he is telling me, that all we have to do is give it second reading and it will be referred to a standing committee. I was not born yesterday. I know that. It says that. However, it also says that the minister wants to limit those hearings to a total of six sittings. That could not be any more clear. It is over his signature. I assume it is the same Murray J. Elston who is the minister. He says. "A total of six sittings would probably satisfy the time requirements of these groups in order for their comments to be heard and taken into consideration."

To the member, in the absence of the minister–

Hon. Mr. Elston: I am here and I am listening.

Mr. Gregory: The minister is here now; very good. I will not repeat what I said. I am sure he was outside in the lobby listening carefully to my words. All that we on this side of the House are asking is that he be a little more open-minded and realize that the pharmacists are interested in making their case.

Hon. Mr. Elston: The member knows that the reason the letter was written was because his people asked me to give a list of people I thought might be interested in being there.

Mr. Gregory: Can I assume from that–

Hon. Mr. Elston: He is absolutely misconstruing the whole content of the letter.

The Deputy Speaker: Order. The member might address his remarks to the chair and ignore the interjections–

Hon. Mr. Elston: The member knows the committee will be ruling on them in the manner it usually does.

The Deputy Speaker: Order.

Mr. Gregory: The minister is developing some very bad habits. One of them is that he refuses to listen to what anybody else has to say. This is not unusual from that side of the House. This so-called open government refuses even to listen to what a member is saying, never mind the pharmacists out there. They could not care less.

If the minister is listening at all–and I rather doubt he is–he would have heard me suggest to him that all that is required is for him to stand up in this House and say he will not limit the number of sittings of that standing committee on this bill. If he stood up and said that, he might find a little difference in the attitude over here. However, he is not ready to do it because he has made up his mind, notwithstanding this one letter listing the groups that will come to him, that six sittings will be enough. Those are not our words; they are his.

Obviously, I am not going to get any reaction from that minister on this. He is not going to

budge from his position. That is fine. He is going to have to answer to the pharmacists, I expect.

The whole thrust of this bill, as I see it, is to discuss the value of medication in terms of costs only and not in terms of the therapeutic value of these drugs. I suppose that in health care some limits have to be put on the cost of any program. I can understand that and I am not suggesting for one moment that the present legislation is adequate in respect of what is being paid to the pharmacists. Maybe they are making too much; maybe they are not making enough. However, it bothers me when the only consideration the minister is ready to look at is the cost factor.

He is very quick to suggest that generic drugs are fine, even though I do not think any doctor or any pharmacist would guarantee that one so-called generic drug is identical in content to the original drug the physician wished to prescribe. There might be subtle differences.

I do not know and I am darned sure a patient does not know, particularly if he is elderly and, like me, has no training in pharmaceutical matters, chemistry or anything else. I do not know that the patient has the ability to judge that. He is totally dependent, but not on the pharmacist, because the pharmacist does not get a chance to state his preference. He reads the prescription from the doctor and then is bound, according to this act, to submit the lowest-cost drug. Never mind the drug that is going to benefit the person the most; cost is the only consideration.

I think the pharmacists individually or in small groups would like to comment on this to a standing committee; they would like to be heard. We give this opportunity to many other people. I keep hearing about the open Liberal government over there, where everybody is going to be heard. However, inherent in one of the most major pieces of legislation it brings in is the fact that they will not be heard unless they happen to belong to one of the select groups that I see in this letter. I guess if you belong to one of those groups you will be heard, or someone will speak for you.

3:30 p.m.

However, on this list I do not see any pharmacists whom I know from Mississauga, if in fact there are any from any other community. There are not. I will address the Minister of Housing (Mr. Curling) because he is probably the only minister in the room at the moment. What is so wrong with allowing people whose professions are now being attacked to come before a standing committee to state their case? Is there anything wrong with that? Not a darned thing. The minister agrees with me, I assume, and will use his vast influence with the Minister of Health to convince him he should say that. The minister is in agreement, is he not? He is not. He is not listening. He is off somewhere else.

Hon. Mr. Curling: No, I am listening.

Mr. G. I. Miller: The member should speak to the Speaker.

Mr. Gregory: I am speaking to the Speaker, but through him to the Minister of Housing, who is one of the few ministers in the House at the moment. The Minister of Health is there, in the back row.

Interjection.

Mr. Gregory: Why does the member for Essex South (Mr. Mancini) not go ride in his limo?

The Deputy Speaker: Order. I remind the member the member for Essex South is not in his seat. There should be no comments when a member is not in his seat.

Mr. Gregory: I am a little disappointed to note there is not one member of the New Democratic Party in the House. I can understand, in a way, that they are not listening to me speak, but it also takes away from the quorum. With the New Democrats not here, we probably do not have a quorum. There is not one, but I will not ask the clerk to look. They have trouble understanding anything at that end of the House anyway, so it is probably just as well they are not here.

Another point on the bill which disturbs me somewhat is that pharmacists are protected from any liability arising from a drug that is substituted. I do not wish pharmacists any ill will, and I agree they should be protected, but who is liable, whether by a misunderstanding of the prescription or whatever, if a pharmacist substitutes a drug and it does not do quite what the other drug was supposed to do; or, worse still, it does some things to the patient which should not be done? Who becomes liable then? I do not understand that. I guess the person who gets very sick or dies because of this happening becomes liable–

Mr. Cousens: Or both.

Mr. Gregory: That is right. There is a tide of members flowing in.

That bothers me somewhat. If a person does not pick up the drug himself, and an elderly person might not always be able to get to a drug store by himself, he might have to send a messenger, a child, a son or daughter or whatever. Does that messenger become liable? I do not know. It does not explain it very well in

the bill. If one has gone to a pharmacy for a drug for an elderly person and some drastic result follows, one could find oneself, as the delivery boy, liable for that. It is difficult for me, and it must be difficult for many other members in the House, to understand why that is so.

Is the minister convinced the inspection methods used with pharmaceutical manufacturers is such that the quality is so accurately inspected that we know every generic drug is exactly the same as the one prescribed by the physician? It would require some rather sophisticated inspections to guarantee that. After all, Star Kist has trouble inspecting its tuna cans, and it is hard for me to understand how one could analyse drugs so accurately.

It bothers me that nobody seems to be liable if somebody makes a mistake. Whether it was an honest mistake or not, there does not seem to be anybody responsible.

Another thing that bothers me is the clause about pharmacists having to fill the prescriptions as written. There is certain merit in that in many cases. A senior should not be subjected to a trip to the pharmacy every week to have a prescription filled, and I am not suggesting he should.

Some care should have to be exercised by a pharmacist filling prescriptions for six months at a time. There should be some guarantee that the patients being prescribed for are fully aware of what is required. We all know elderly people who feel good after taking a pill and think they will feel that much better if they take three pills at a time instead of one. I know someone who is capable of doing that.

That would happen more often if unlimited supplies of medication, narcotics and what have you are given, simply to save on prescribing fees. This seems to be a rather ridiculous way of saving money. We can save $4 if we double the prescription. My heavens, if we triple or quadruple it, we can save a lot more money. We can save $8, $12 and so on. It seems a little silly and a little dangerous.

I do not know whether my colleague the member for York Mills (Miss Stephenson) agrees that prescribing unlimited large quantities of pills is a dangerous practice.

Miss Stephenson: Yes, unlimited is dangerous, but thoughtful flexibility is useful.

Mr. Gregory: Okay.

Interjection.

The Deputy Speaker: Order. The minister is not in his seat.

Mr. Gregory: That has been noticed.

Many senior citizens do go to doctors on a fairly regular basis. It is not unusual–

Mr. Cousens: Does the member go? He is at that age himself now.

Mr. Gregory: Not quite.

It is not unusual for a doctor to examine seniors and determine that a new prescription is in order. If they go often enough, they can get a lot of new prescriptions but they are not always very careful about getting rid of the old ones. There are cases where seniors are prescribed something to be taken three times a day and they go back to the doctor for something else and he says, "I will put you on this other prescription." The new drug has to be taken three times a day, but they continue taking the other one three times a day. In such situations senior citizens may be taking far too much in the way of drugs.

I do not think that is anybody's fault. It is just a case of the seniors not understanding that they should not duplicate unless specifically ordered to do so by the doctor. It adds to the confusion and to the problem if we have unlimited drugs, or filling the prescription as written, unless the doctor uses some care. I assume most doctors would and would not be giving unlimited supplies, but they might be giving larger amounts than are healthy for senior citizens.

There is a small problem with the bill, in that it seems to indicate the pharmacist can no longer take requests for prescriptions over the telephone. Seniors on the Ontario drug benefit plan would be required to see their doctor pretty well every time they had to have a renewal of their prescription. This does provide a hardship for seniors, depending on the state of their health. It could mean that many of them are put to some serious inconvenience if they do not have someone to help them or to go their messages for them.

3:40 p.m.

A lot of small points bother me about the bill. I am not suggesting for one minute that it is not in order to examine the situation of prescription drugs and the Ontario drug benefit plan, but I do think it is a little like swatting a flea with a mallet in this case. Perhaps we are going too far.

Let us find out–not from me, a complete novice as far as pharmacy is concerned. I admit that. Would members not agree with me that I am a novice? I do not pretend to know anything about pharmacy, drugs or pharmaceutical companies, but there are people who do, and outstanding among them are the pharmacists of Ontario.

We all remember visiting the local pharmacy when we were kids. We went down there and he was a friend of the community. He was like the doctor. He was a little like the barber, whom I do not visit much any more.

The pharmacists are asking for nothing else, really, than the opportunity to make their case before the standing committee of this Legislature. That does not seem to me to be too unreasonable a request. I would agree that the minister has gone part of the way in suggesting it should be done. When we vote on second reading, it will go to standing committee. It is understood; I am not questioning that it has been done. What I am questioning is that we seem to be putting an arbitrary limit on it.

I know of 10 pharmacists in my own community who have requested an opportunity to appear before this committee. I am not suggesting for one minute that every pharmacist should have an individual hearing. However, these are intelligent people and I think they would have the good common sense, if given the right, to decide that the 10 pharmacists in Mississauga East–or, in fact, all the pharmacists in Mississauga–might well determine, say, three people who could represent them at the standing committee.

I do not think every pharmacist in Ontario is going to want that or that he should be given it; there is only so much time to do these things. However, to be arbitrary and say that only those organizations representing pharmacy, pharmaceutical companies or senior citizens shall be represented, and only by their spokesmen, is a little unfair. Some organizations do not always speak in total agreement with the majority of their members.

I am not suggesting this is true in any of these cases, but surely we owe it to ourselves in this House to hear what they have to say before we go ahead and ram through a bill with a very short public hearing period. We are being unfair to them, we are being unfair to the citizens and we are certainly being unfair to the spirit of free enterprise as we know it in Ontario.

I do not know if a vote is ever taken by the membership at large of the Ontario Pharmacists' Association to elect their spokesmen; maybe there is. However, it seems to me it is probably done by mail or by paper. One does not hear about very many pharmacists' conventions around. Maybe they do have them; I do not know.

What I do know is that when I go in to talk to an individual pharmacist, to pick up a prescription or to buy a package of cigarettes, he tells me he wants to be heard and he is asking for nothing else but that. He is not even suggesting that the minister should listen to him and make the changes according to his wishes. All he is asking is to have the chance to tell the minister the way he feels about certain things from a grass-roots perspective rather than on an organizational basis.

I do not think that is too unfair, and perhaps the minister, in thinking this over and in realizing that in order to live up to what has been expressed as the new open concept in government that we keep hearing about, should in that open concept grant this request–

Mr. Haggerty: The member is being repetitious now. He has said that three or four times.

Mr. Gregory: The last interjections by the member for Erie were repetitious, too. He has said the same–

The Deputy Speaker: Order. The member can carry on.

Mr. Gregory: The member does not listen hardly at all, never mind very often. The member says I am being repetitious and perhaps I am, because I think it is extremely important. It is probably one of the most important things that has happened in this House in these periods of sittings we have had ever since the new open government took over. I am hoping this new open government will start to see a little sense and realize that being open means that it listens to people. It cannot argue with that. Right? The member has agreed to listen to me. I am asking that member, through you, Mr. Speaker, to listen to the pharmacists and give them a chance to tell him what they have on their minds.

Mr. Haggerty: Is that a question? Should I answer it?

Mr. Gregory: No, it is not a question. I am asking him to use his good offices and his influence, and I know he is very influential over there in the front row. He must have a great deal of influence with the minister, so perhaps he will convince him to be a little less stringent, to be a little open-minded, to listen to these pharmacists and give them an opportunity to speak to him. I hope the member will do that.

I am quite sure the minister, in thinking about it, will come to that conclusion. He is going to realize that the only way he is going to get the bill through is if he agrees to listen to some people instead of being so rigid.

Having said all those intelligent things and having enjoyed the attention of the vast audience in the House or as the member for Grey-Bruce

(Mr. Sargent) would say, "the half-vast audience in the House," I am sure my comments will be considered by the minister. I am quite sure he is going to stand up on his feet immediately after I sit down and grant that we will have hearings required by the pharmacists without any severe limitations being put on them. I suggest to him that would be the commonsense thing to do.

If I was involved in that open government over there as the Minister of Health, I would want to be open, as I always was. The Minister of Tourism and Recreation (Mr. Eakins) will say that as minister I was always open and ready to hear delegations. I did not put a limitation on them.

If the government members want this open concept of government to work, perhaps they should all encourage the Minister of Health to not be so rigid and to grant a little lenience to the pharmacists, who are doing nothing more than trying to act in the best interests of the citizens and trying to protect their profession from the undermining that is apparently taking place under this bill.

I have reached the end of my very interesting speech. I will now sit down and let somebody stand up who is going to continue on in much the same vein, I hope, or be even more interesting than I have been. I know that is hard to imagine. I do thank you, Mr. Speaker, for this time. While I am on my feet, I will congratulate the Minister of Health, in his absence, on his appointment as Minister of Health. I wish him well and I hope his version of open government changes a bit.

Mr. Cousens: I am following in this important debate on Bill 54. Before I begin my formal words, I want to compliment the Minister of Health for the support he has continued to give to the great riding of York Centre in the continuation of two important projects that have been close to my heart since I became an elected member in 1981.

Most recently, he was able to come into a very important situation in Richmond Hill in which there was a lack of funds to meet the ongoing costs of the hospital. It would have meant some 40 people would have been laid off had he not been able to find the money to balance the budget so the hospital could continue to provide the service. He was able to do that, and that is one of the important things he did. I have not had a chance to put it on the record that I appreciated his coming to the rescue of those people in Richmond Hill.

3:50 p.m.

It is unfortunate he had to do it under the duress of the press and through people such as myself bringing the issue to the fore so he had to do it under that kind of pressure, rather than having a system that would respond to the need when it was supposed to be done.

The second thing is that the Markham Stouffville Hospital is continuing, and the approval originally given by cabinet in June by the then Premier, the member for Muskoka (Mr. F. S. Miller), with the support of the then Chairman of Management Board, the member for York Mills (Miss Stephenson), and those who saw this need to be a recognized, an important one for south York region, has also continued.

Mr. Haggerty: That was a lot better than closing hospitals, which your government did there.

Mr. Cousens: However, the approval for the Markham Stouffville Hospital was further ratified and supported by the member's government, and I am saying thanks.

I think it is important that we continue to have health care as one of the very fundamental needs of our society and we do not want to undermine this quality health-care system in this province.

It is not something that just happened overnight. It has taken years to build this system and make it what it is today. There are people in this province who take a great deal for granted. They know that when they call upon a pharmacist or their doctors, or when they need some kind of support mechanism for their health, it is there, and not only there but also in a quality way and one they can afford. That is why over the years we have developed in this great province a system of support for all our people that allows us to go ahead with confidence, knowing the mechanisms are there.

Some of the things that are missing have to do with the lack of preventive aids so people will take better care of themselves and be looking for ways to maintain their health and be vigorous and strong, through exercise, self-discipline, proper diet, etc. One of the groups within our whole province that has made this possible is our local pharmacists, a small group of health specialists who care about the people who come in and out of their pharmacies and who provide the kind of assistance and support that goes far beyond dispensing pills, serums and medicines. It goes to the very heart of the needs of the people who come there, so a friendship and rapport develops that allows a person to know that his pharmacist, like his doctor, is one in whom he can confide, in

whom he can trust and one whose advice is worth taking.

It is with great alarm that I stand here in support of pharmacists and others who are saying, "Is this part of our health care threatened by the decisions that are being taken by this House in the form of Bill 54, which could in the future affect the relationship that exists between patient and pharmacist?" Anyone who is going to do anything negatively or in any way hurt the health-care system should stop and make sure all concerns and considerations the public are raising have been aired and understood.

One of the reasons this debate is continuing is we want that full airing and a full understanding of all the ramifications of Bill 54 laid out so the discussion, even if it takes a little while, will at least mean no one will be surprised at the outcome. It will have been tabled in a proper and true way. This has been the process in the past in this House.

Perhaps the member for York Mills might be able to help me on this one, but I can think back a few years ago when there was a bill Dr. Elgie brought in that had to do with human rights. I think it was Bill 7. It was 1982 or 1983. There was a long debate about the effects that would have. When the bill was first tabled in this House, there was an outcry such as I had never heard, as a new member of this Legislature, because people said: "The province is being arbitrary. It is going to do things that are going to take away a person's rights." In his wisdom, Dr. Elgie said: "Put it in committee. Let committee deal with it and go over all the facets that are bothering people. Let the people come and lay their concerns on the table."

They did, and the legislators of this House sat through many long days in the summer to hear the people of Ontario before finally coming up with a number of amendments.

The process is not to say, "We will listen"; but it is if one listens and then does something with what has been heard to change the law to make sure it truly reflects what the people of this province want. That is the process, a process that allows for dialogue and allows all points of views to be tabled. Then, with the wisdom of all the combined research people have been able to deliver, we as legislators are able to arrive at a consensus and are able to accept a point of view that allows us at least to arrive at a compromise that meets the needs of our whole community.

Why would the government be afraid of such a process now? Why are the Minister of Health, the Premier (Mr. Peterson) and those on the opposite side of the House not prepared to have that dialogue? That is a fundamental and historic precedent the previous government ensured and guaranteed through its actions, a tradition that allows for participation by the people of this province in the important and ongoing changes of legislation, so there is no arbitrary dictatorship that allows a single-minded purpose to be pushed through. It allowed for true participation.

Mr. McGuigan: It was studied to death.

Mr. Cousens: No. The bill I am referring to, the one brought in by Dr. Elgie, was not studied to death. It was studied for three to five months, brought back to the House and the amendments carried. The initial outcry that was raised was addressed and resolved through that discussion and dialogue. Out of that came a bill that now is history and people do not remember it. I am one of them. However, I remember the process. I remember that when people had a concern, they knew their concern would be listened to.

I am at the point where I do not have a point of view on Bill 54. I am not a pharmacist. A number of pharmacists in my riding have expressed to me their concern that the government is going to railroad this legislation through. I believe in railroads if it is a matter of getting somewhere, but the kind of railroad we are talking about is one that is going to take us into a stone wall; it is going to take us nowhere.

This has ramifications that have not been fully explored and discussed. Because of that, I would like to see more dialogue and discussion. I am reflecting the kind of concern that comes from Daniel Kohn, a pharmacist who sent me a telegram. He says: "Proposals on Bills 82 and 83 will affect all aspects of pharmacy. Serious public study is required immediately. These bills must not be railroaded through Legislature, but must go to standing committee."

He has discussed this further with me. He is asking me, "Please see what you can do to allow our concerns to be aired, and not to be aired through the way the minister is about to do it."

Another pharmacist, Larry Blumenfeld, says: "We must insist that no bill be arbitrarily enacted. Entire drug benefit program in jeopardy. OPA has our support and are willing to negotiate a fair settlement. The choice is yours."

The choice is the government's. It could do something about the concerns people are talking about. Please discuss it and allow it to be aired. This is not a dictatorship, or is it? Is this open government, as open as it says it is, or is it a government that is going to say, "Do it my way or

not at all"? The pharmacists are saying: "Do not do that. We are prepared to negotiate."

The history of the former government was one of negotiation, and those negotiations sometimes took longer than what we are talking about today.

Mr. Haggerty: It took quite a length of time and you fellows did not settle it. That is the problem.

Mr. Cousens: I wish things could be settled more quickly. The same thing happened with the Wellington teachers not long ago. The negotiating process has to be taken to the nth degree before one arbitrarily enforces a settlement. I think the same thing is true with the professional body of the pharmacists. One does not arbitrarily try to solve a problem. One negotiates, talks, has dialogue, listens to them, gives and takes, and through that a compromise develops.

4 p.m.

The one thing that comes through in this debate is that some people would paint our side, or one side, as being good guys or bad guys. That is wrong. All 124 members of this Legislature are here to serve the people of Ontario. The most important people out there are the men, women and children who know we are here to serve their needs. They know that we in the Legislature are not just concerned with pushing things through; we are pushing things through that are in their best interests. That is why we are here.

When we look around, we see people who carry heavy burdens of responsibility for their constituents. They are doing it out of a sense of dedication and love for the people of Ontario. As we face up to Bill 54, we are not taking sides with anyone. We are saying, "Let us make sure that all the concerns that are obviously still being felt by the people who are writing to us have been faced up to."

I have a telex from Mr. Jelski, who owns Mackenzie Pharmacy in Richmond Hill and who is a very outstanding citizen in our community. He has written to me, "Pharmacy legislation cannot proceed as written." I am sorry he said "cannot proceed." He does not know that what can happen right now with the minister's bill is that it can go as written. I think what he means to say is it should not proceed as written. "Major flaws. Massive study and consultation needed. Halt passage of this ill-conceived injustice to all concerned."

He is someone whose business has been to serve the people of Richmond Hill in my riding on Yonge Street just north of Major Mackenzie Drive, a street named after a legislator who sat in this House representing the same riding I do, Lex Mackenzie, and who walked that street and talked to the people of Richmond Hill. People still have a trust that their member is going to serve their needs, as did Don Deacon and Alf Stong after him. They are good people. I am sure if they were here they would be sharing in the concern that Jelski raises in his telegram: "Halt passage of this ill-conceived injustice to all concerned."

He is concerned, not only for himself as a pharmacist but also about the people who come to him and trust him. He is concerned about the long-term effects the legislation can have on pharmacists across the province. He does not know that unless this House begins to rethink its position through an open, public debate that allows all the concerns to be expressed, the major flaws will stay in the bill. They will haunt this government and all legislators if we do not do something to face up to them.

How can anyone come into this House and not want to do a proper and good job? We will not be doing that job for the people of this province if we allow the legislation expressed in Bill 54. When I get to Bill 54, I will go through it section by section to expose the flaws I see inherent in it, which are the flaws that are causing us to be continually concerned. We will not rest until they have been solved.

I have a telegram from Fenton Drug Mart, dated November 20, addressed to "Mr. Donald Cousens, Room 472." He does not realize they have moved us around since we had our offices in this building. We are now over in the Whitney Block, but that is another matter I would like to address some day. He says: "The proposed legislation is unnecessary, unfair and unacceptable. Must consider OPA and individual pharmacists' input. Legislation will be devastating to all aspects of pharmacy."

Do people come along and write telegrams to people just to fill in their time, to relax and do nothing? Eddie could answer that question. The answer is no. They are doing it out of a sense of concern and compassion, not only for their own interests but also for the interests of the people they are trying to serve.

The proposed legislation is unnecessary. Do members know why it is unnecessary? It is because there is another way to deal with the people in this province than through the arbitrary push tactics that we have in Bill 54. It can be done through continuing dialogue and continuing discussion. That is why it is unnecessary, and Mr. Fenton is right when he says so.

It is unfair because it does not consider all the aspects and all the ramifications of this bill for all the people of the province and for all of the industry that is involved in it. It is unacceptable for a variety of reasons that we will get to as we continue to discuss this bill in this House today.

I have a telegram from two other local pharmacists, Safin Bandali and Rebecca Ho: "We ask you not to pass any legislation regarding pharmacy without any communication with the pharmacists." They too are saying: "Here it is. Someone is making a decision again that is going to affect our livelihood and our business, and we have not been consulted."

It seems that in our world today, in this democracy in Ontario as we now have it, more confidence is being placed by some people in what the government can do than in what the free enterprise system can do. That is an inherent flaw in the thinking behind a bill like this. Where is the balance that once existed that made for an environment in which business could prosper at the same time as government made the rules and regulations?

Go back to the days of our forefathers, who came here for freedom. The freedoms that once made this land so great are being eroded gradually as government intrudes further and further into the enterprise that business is all about. The freedoms we once took for granted are being placed in the hands of government officials and of regulators; government then imposes regulations upon the free enterprise system. The day when I and many of the people on this side of the House sit back and accept that is a day when this House will cease to represent all the people of Ontario.

Many of the people of this province like to have dialogue and communication. That is why we are presenting the view that there is still time for Safin Bandali and Rebecca Ho to know that their communication to me through their telegram not only has been read but also has been listened to, understood and acted upon. That time is now. A nod from the honourable minister in the right way–I like the nod I just got, but I would like a little bit more–and I will know, either by the sound of the rattle or by the emphasis he is giving, that he is truly behind us.

I have another 150 telegrams I would like to read, but I am going to touch on just a few more so members can get a feel for the flavour of some of them. This one was sent to the Minister of Health; it is from R. Huebel, pharmacist-manager of the Olde Towne Pharmacy in Thornhill. However, because not everybody has received it–the minister received it, but the House has not necessarily had the opportunity to review these comments–I would like to take the few moments it will take to read the few words he has sent along:

"I am writing this letter in regards to the two bills in the Legislature:

"1. The Ontario Drug Benefit Act, 1985;

"2. The Prescription Drug Cost Regulation Act, 1985.

"These bills as presented are totally unfair to the pharmacy profession and are a serious threat to the continued standard of health care in Ontario. A responsible and competent attitude must be adopted by all parties concerned before any further development takes place in this regard.

"Yours truly, R. Huebel."

4:10 p.m.

The standard of health care is the point that this telegram is raising. The pride the people of this province have enjoyed for a long time, for at least the past 42 years, that there was someone who cared honestly and wholly and completely about their needs, has allowed us to develop a quality standard for health care in Ontario. Now these very people are alarmed that those standards might disappear and that it is not important that we have that quality still in place.

Let us talk about it. Let us allow ourselves to continue to think about the ramifications this bill could have. Bill 54 has upset them. Pharmacists know about it because they are part of an association that shares information and they are dispensing drugs every day. Their livelihood is wrapped up in it; so their association is able to communicate with them.

The tragedy is that many people in the province do not begin to understand the problem because of the media. It may not be an important issue to the media, so it is not covered and discussed as fairly as one might expect it to be. People know, however, that if we in the Legislature are aware, something can be done about it; they trust us to do that. They take for granted that the system may not have informed them of everything that is going on, but they trust the fact the member for Leeds (Mr. Runciman), the member for Cornwall (Mr. Guindon), the member for York Mills, the member for St. George (Ms. Fish) and the member for York Centre (Mr. Cousens), who are all sitting in this House now, are going to be responsive to the immediate concerns that exist within their ridings and within every dimension of the province and will speak up accordingly.

I have telegram from another constituent, again written in the latter part of 1985, sent to the place I used to be. I liked it when I was in this main Legislative Building, before we had to move across the street, but none the less they will continue to send mail here for quite a while.

Miss Stephenson: Just as long as we get roller skates.

Mr. Cousens: We need roller skates, and we need to get our mail on time. Half the time it takes me a few more extra days before I get my mail.

Here is a telegram from T. Garden, who has a bachelor of science degree in pharmacology: "I strongly urge that serious public study of proposed bill be undertaken. Do not rush through without proper consideration." If only we could live up to his expectations.

In the past, when constituents came to me and asked for assistance, I said, "Yes, I will do my best," and I had the inner feeling that I would be able to do something for them with my best. Now I have a fear that nothing will happen, in spite of my genuine and deep concern about the needs of the people in my riding, because the railroad across the way is going to push through legislation that does not have, within it, time for due and proper consideration.

It it not unlike a person who is head of a family or household. When teenagers or young people want to do something different from what we want them to do, the old-fashioned way might have been to be very arbitrary and say, "No, you do it my way." In the household I am part of and share with my wife, we like to sit down with our young people and review with them the options and possibilities. Through that it is sometimes necessary to force a decision, but I like the fact that we are able to discuss things with them, go through all the various pros and cons and then when we are finished, arrive at a conclusion in which at least we all understand all the facts.

That is what I call a good process. It shows respect for others, an understanding on the part of one to hear the others out and to know all their thinking and concerns; then we are able to do what is right, having considered their point of view, which is important as well. Why not have the same kind of luxury for pharmacists in Ontario who are asking for nothing more than that chance to be listened to so their industry can be understood?

I hope we are successful for Mr. Garden. I hope the Legislature will pause and consider his concerns. When the minister is reviewing his notes for his speech when this bill is fully debated, I hope he will acquiesce to their concerns and allow that consideration to be held.

I have another telegram, from Russell Cohen, a pharmacist who lives in Thornhill. He has sent this message to the Minister of Health, who will maintain his honour as long as he does something with the full public hearing of this bill. Mr. Cohen says: "A serious public study should be undertaken of proposed Bills 54 and 55. It is critical to postpone the January 1 implementation date." I am not sure how that got settled, but he is at least searching and hoping someone like myself will be able to assist in that continuing dialogue.

I have another telegram, from Howard Borden, a resident of my riding whose practice of pharmacy is in Metropolitan Toronto: "I as a pharmacist insist Bills 54 and 55 not be pushed through the Legislature. They require serious public study and negotiation with the Ontario Pharmacists' Association. The level of service by the pharmacist to the public must be upheld. Do not act without consultation."

They continue. I do not know whether I should continue to read the great number of telegrams I have. I am concerned that in so doing I am taking up valuable time in the House. I do not desire to do that because of the amount of time that has to be spent on this larger issue. I would like to continue to go through the bill and allow us to consider some of its different effects. I will go through it section by section so we will be in a position to be apprised of the concerns I am trying to raise.

Many people are not as aware as are the members of this House of what the explanatory notes describe; they give an indication of where the government is going to go with this bill. The bill's explanatory notes state in part:

"This act provides a legislative framework for the Ontario drug benefit plan"–I see it as a framework that will be made of steel and iron, with no chance for any movement on the boundaries; it will lock in all the pharmacists– "under which the minister pays operators of pharmacies, physicians and suppliers of substances for supplying prescription drugs and substances free of charge for certain classes of persons, including senior citizens and welfare recipients."

4:20 p.m.

Under this legislation, the Lieutenant Governor in Council will have tremendously large powers in making regulations. He might start exempting, including or changing some of the

guidelines that were part of the original legislation this bill was to amend.

What we are seeing is the danger zone for senior citizens, who were one of the primary concerns of our government when we were the government, and for welfare recipients, who were being looked after properly, fairly and fully and their rights not being abrogated. I believe that and know it to be a fact. This legislation can come along and tamper with the important safeguards our government brought about in times past.

What we see in the explanatory notes is, "The act gives broad discretion to the Lieutenant Governor in Council to make regulations." What are we here for as legislators if we go and give all the decision-making power to the Lieutenant Governor in Council? What are we doing here if we do not ask and search for the opportunity to participate in what is going to happen to that important component of the health care system of this province?

It is not our desire to give up that responsibility easily, especially when this bill will take away and erode an important part of the fabric of the health care system this province has come to enjoy. The Lieutenant Governor in Council will "make regulations concerning, (a) what prescription drugs and substances are to be listed under the act"–I think that is similar to what we have now–"(b) who is to be eligible for the benefits under the act; (c) how much the minister will pay for the supplying of drugs and substances under the act; and (d) what charges, if any, may be made directly to eligible persons." I am going to deal in some detail with the concerns I have about these parts of the regulations.

It also says: "The act provides that subject to the regulations, operators of pharmacies and physicians may charge the minister, but no one else, when they supply listed drugs for eligible persons. There is provision for the minister to agree in writing with an operator to pay an amount different from that in the regulations." Can the House believe he will do that? I see the members chuckling. We know he will not.

Mr. Mackenzie: It is no different from what we had before.

Mr. Cousens: At least there was trust in who we had before compared to who is there now. There is a new degree of distrust.

"The minister is given discretion, if a physician says it is necessary, to allow a nonlisted drug supplied for a particular eligible person to be treated as if it were a listed drug."

That is one of the fundamental flaws of this legislation. Who are we, as nonmedical practitioners, to make decisions that can have a life-or-death effect on the recipients of these products? I would not want that power. I would not want to be in a position to say that I have hurt someone through the decision we are making here.

We come to the last part of the explanatory notes. "Offences are created for contravening a provision of the act or regulations and maximum penalties of $10,000 for an individual and $50,000 for a corporation are imposed."

It could become a police state. If they are going to have every pharmacist who does not follow every rule and every regulation–do members realize what is happening? A regulation is not developed in the Legislature specifically to deal with a law or an enactment. It is something that someone across the street comes up with. They develop the idea of what a regulation is going to be. Someone in the civil service, in the Ministry of Health, says: "There is a regulation I like. It is a new one. Let us put it in." Penalties such as $10,000 for an individual or $50,000 for a corporation can become a new source of revenue for the government. The concerns of the people of this province are substantial and should be addressed by this House.

I have no trouble with section 1, although when we talk about what an inspector is, I wonder how many inspectors we are going to have. Are we going to have thousands of inspectors? With the new police state that is going to have the right to charge so much in penalties, there might be all kinds of inspectors.

Maybe we should spend some time talking about what is a listed drug and not a listed substance. "'Listed drug' means a drug designated as a listed drug," and "'listed substance' means a substance, other than a drug, designated as a listed substance." Who does the listing? That is the concern. The listing is not done by the association or the health care field; it is done by the bureaucracy.

So the bill comes forward and, like many of the bills that have become the history of government in Ontario for the last number of years, it talks about regulations made under the act. I worry about the number of regulations we will soon see in the health care field and about the number of people who are going to be coming out with more and more government enforcement, government ideas of changing the culture, the environment and the world that the province has come to take for granted.

Yes, we are living in a regulated world. We regulate the rents of people, we regulate the amount of income a landlord can make, we regulate the amount of increase he comes across with; and out of that regulation we have a cutback in the number of units being built and we start having intrusion in the free enterprise system.

I oppose the proposal being brought in by the minister because I see it as an expansion of government intervention, control and regulation, which undermine the free enterprise system that I think can make this province, and has made this province, a very strong, economically viable unit in the Dominion of Canada and in North America.

There is regulation at all levels. We are seeing regulation of the fishing industry. We see regulation of every area.

Hon. Mr. Curling: We are going to regulate all the Tories.

Mr. Cousens: They are hard to regulate. The Conservatives are about as hard to regulate as any group the minister would ever find, but that is the strength of the Conservative Party in that there is open discussion and dialogue on all issues. Then when it is over, once a consensus has been arrived at within our caucus, we accept it; we work together to achieve it. Why can we not do the same thing in this House again? It was done before and it worked. It was a way of allowing the whole community to be involved in the lawmaking process.

Mr. Runciman: Back in the days of good government.

Mr. Cousens: Back in the days of good government. They can come back even now and the word "Honourable" in front of the name of the Minister of Health will mean something.

I am going to skip to section 4 of the bill, because section 4 of Bill 54 prohibits pharmacists from charging or accepting payment from an Ontario drug benefit customer. While welfare recipients cannot afford to pay extra for their drugs, many senior citizens can. However, even if these individuals would prefer a more expensive brand of drug than the one covered by the ODB and if they could afford to pay the price difference or all of the cost, this section would prohibit it. The pharmacist must either refuse to grant the request or lose money in providing the customer with his preference.

If a drug is not listed in the Ontario drug benefit plan and if a physician wishes to prescribe the product to a patient, he must get the minister's approval. The minister is not even in the House right now. How are physicians going to get his approval if they cannot reach him, cannot phone him and cannot touch him?

How soon do members think that is going to happen, especially if something happens where a drug is going to make a difference? A decision has to be made. How quickly will it be made? How fast can they be? This could prove to be a somewhat onerous procedure if the patient were seriously ill. We have to put the people of the province first, not legislation and not regulations. Those laws are to uphold the very fabric and being and purpose of our province.

Subsection 4(1) of the bill says: "No operator of a pharmacy shall charge, or accept payment from, a person other than the minister in respect of supplying a listed drug for an eligible person pursuant to a prescription, unless a charge or payment is authorized by the regulations."

Those regulations will give him all kinds of loopholes. He can go in any direction because he has someone writing a regulation to protect him.

When it comes to our health care, which comes first: the person who needs the care or the regulation? I think we are going to end up having the regulations supersede the importance of the needs and rights of people in this province.

It says, "No physician shall charge, or accept payment from, a person other than the minister in respect of supplying a listed drug for an eligible person...unless the charge or payment is authorized by the regulations."

4:30 p.m.

Mr. Speaker, coming from the Ombudsman's office, you would have a greater appreciation of what a socialized state is all about as we move into this government control over everything, or this other system that allowed for a balance of government to prepare the environment for business to prosper. What we are moving towards here is government domination. There will not be an area in this province that is not controlled, or moved, or motivated except by government regulation or government money. The bureaucracy, instead of getting smaller and more efficient as it did over the past several years, will end up burgeoning and growing. The money it will spend will increase and the level of service will go down.

That has to be alarming. It has already alarmed enough pharmacists and people who are starting to ask: "Can we do something to stop it? Can we not at least have a chance to review its effect on our industry?" There is still time that the minister could respond to our request.

I want to refer to section 6 of the bill. If a drug is not listed in the Ontario drug benefit plan and a

physician wishes to prescribe the product to a patient, he must again get the minister's approval. Since section 6–

Mr. D. S. Cooke: On a point of order, Mr. Speaker: I call for a quorum. We do not have a quorum.

Mr. Cousens: I am prepared to go without a quorum because those three members are not listening anyway.

The Acting Speaker (Mr. Morin) ordered the bells rung.

4:36 p.m.

Mr. Cousens: The member for Windsor-Riverside (Mr. D. S. Cooke) called for that quorum, seeing it as a popular way to get his name in the record for today. I was quite prepared to carry on with my speech.

Mr. D. S. Cooke: That is what I was afraid of.

Mr. Cousens: I do want to take the time of members of the House to respond to that because I know they will be able to read these words in Hansard and find them quite satisfactory there.

I resent the fact that some people feel a quorum call is necessary when there are other ways of accomplishing the business of this House. I know members of this House were listening carefully. It is highly unlikely the member for Windsor-Riverside is even listening. He asked for a quorum call. When we make new regulations for the House, we should have the person who calls for the quorum sit up and listen for a change.

The Acting Speaker: All right; let us get back to the topic.

Mr. Cousens: It is very hard when I have had this distraction. I think I will start from the beginning, where I was before.

Hon. Mr. Elston: Maybe the member will get it right this time.

Mr. Cousens: Yes. One thing that has happened is that it has brought the minister into the House and it is always a pleasure to see him because he is–

Hon. Mr. Elston: I was listening intently at the time I was having a meeting with some others.

Mr. Cousens: I can believe he was. The only thing I want the minister to do is to not only listen but also to act on the advice we are trying to give him. If he does that, then I know the people of Ontario will have a higher respect for the legislative process than they will have if this bill is not given the full understanding and debate that would take place by having open discussion.

I want to make note for the record that the member for Windsor-Riverside, who called for the quorum, is now leaving the House. That is typical of the kind of action–

Mr. D. S. Cooke: I cannot take it.

The Acting Speaker: Order.

Mr. Cousens: That is a very valid point. If someone is going to call a quorum, the same person should sit around here and suffer like the rest of us.

Mr. Swart: Who is suffering?

Mr. Cousens: I am suffering because I am sorry he is not here to enjoy the words I have to share.

Mr. Swart: We thought the member was insufferable.

Mr. Cousens: I am not insufferable in my own mind, but the fact the member for Windsor-Riverside has left is an insult to the whole process of this House. What he has done is take up four minutes of everybody's time by calling a quorum. I was prepared to continue speaking and not bother to take that time.

The Acting Speaker: Order. You have made your point.

Mr. Cousens: I want to make sure it is in the record.

I will proceed on the important discussion before us, which has to do with section 6. Since it is written in terms of the individual patient, each case would require approval. Let us look at subsection 6(1): "If a physician informs the minister that the proper treatment of a patient who is an eligible person requires the administration of a drug that is not a listed drug, the minister may make this act apply in respect to the supplying of that drug as if it were a listed drug by so notifying the physician."

That is just more government bureaucracy. We have been doing our very best over the last number of years; and I am one of the people most complimentary of the member for York Mills, whose position in government has been to make it more efficient and bring about improved standards and quality so the numbers would be brought down and at the same time it could be more responsive to the people of this province. Now what we are going to do is add another layer of bureaucracy to this whole system. That layer costs money and takes time to get through.

Why do we need that? The people of this province would rather see their money going into the things that are going to generate jobs through the free market system, rather than a government bureaucracy which we have to pay for in taxes

that are already too heavy, and a deficit we already cannot even begin to cut back. We do not need to spend more money, we need to save it.

This bill is going to cost the province many dollars. Some people say, "Oh, it does not matter." It matters to those who care. It matters to all of us because if we start spending and the economy changes as it did in the early 1980s, then we will not have the money.

At that point we start borrowing money against the future, the deficit gets larger and, before one knows it, we will not even need a budget. The deficit itself will have the money pre-spent because we will be busy paying the interest. That is when the people of this province will make an outcry. That is when the government will have to say to that layer of bureaucracy: "We do not need you anymore because we cannot afford you."

Why not teach the people of this province to drive the engine themselves through their own enterprise and business acumen? Then we can be strong again. What we are doing here, in fact, is saying: "We want more bureaucracy, more layers, more costs."

Subsection 6(2) says: "An operator of a pharmacy is not liable for contravening this act or the regulations in respect of supplying a drug referred to in subsection 1 unless the operator has received notice that this act applies to that supplying."

One has to depend on the federal mail, too. How is he going to get this notice? Is the government going to set up a computer system so there is on-line interaction with a drug store, a local pharmacist–who by the way cannot afford that? We are talking about people who have written these telegrams, who are making an existence out of serving the people, and they are now saying: "You are going to need more and more."

I cannot help but take the side of the pharmacists who cannot afford these things, but I take more the side of the citizens of Ontario who will be paying the costs in taxes, paying for this far larger bureaucracy and this government control of the system.

Let us look at section 8 of the bill. It takes away the right of the pharmacist to refuse to supply a prescription to avoid the act. That is, all pharmacists are opted in. Section 8 states: "No operator of a pharmacy shall refuse to supply a listed drug for an eligible person in order to avoid the operation of a provision of this act."

That is just more of the same. It is a further example of the government saying: "This is how we are going to run things. It is going to be our way or no way."

I believe in certain controls when it comes to health care because there have been examples of drugs that were dangerous that got onto the market. One needs to have certain controls. That is responsible government. I would not want to take away that option of government to say: "This is safe, this is not." However, there are others that do not come into that category. It is of those that I speak.

Under section 9 of the bill, ministry inspectors or their agents will have broad powers to search and seize pharmacists' and doctors' records.

Oh, my goodness. Mr. Speaker, do you want that to happen? I would think you have a large family.

The Acting Speaker: No, I do not.

Mr. Cousens: Do you not? You look as though you could have because you are such a happy man.

How would you like it if one of your relatives was an inspector? Surely you would then be able to appoint all your relatives as inspectors, and all the members opposite would be having inspectors in their families somewhere because it probably is going to be a special order in council appointment. Under section 11, the inspectors' appointments are going to come into cabinet and then the Lieutenant Governor in Council can ensure that those people who are otherwise unemployed can be inspectors. The same inspector who might be one's relative can then go in and seize the records as they apply to one's case; even though one wanted to keep certain parts of one's health situation secret because of its personal nature.

I can understand that; I would want that. I do not want the information that pertains to an individual to be publicly available, but it is almost making it publicly available with the number of inspectors the government will be having. These records contain confidential information but the bill contains no guarantee of the maintenance of confidentiality. If we are going to have the government looking over our shoulders and getting involved in all the different effects of what goes on in Ontario in 1986, why should we not have some guarantees built in to protect people's confidentiality?

It is Big Brother all over again. I do not want to see that, neither do members when they start to think about it; and neither does the minister if he starts to think about it. The Liberals' freedom-of-information legislation heightens the concern over the issue of confidentiality. I wonder when

that is going to come out and what it is going to do to what we are talking about.

It is a concern and a worry. It is one of those things about which all of us want to ask questions. It is one of those things, if we are not going to allow discussion on it, it means it is just going to be the railroad again. I know what is happening in the minds of the Liberal members–not in the mind of the member for Essex South (Mr. Mancini) because not much is happening there–but I am sure there is something going on in the minds of some.

Mr. Mancini: I have too much hair. That is my trouble.

Mr. Cousens: The member has a lot of nice things about him. As someone who is concerned about this bill, if he could do something about it with the Minister of Health, he would probably go on record as being one of the heroes of 1986: "Man of the Year, Rimo; get that limo."

An hon. member: Remo.

Mr. Cousens: I thought it was Rimo. It rhymes with limo, and he wants a limo. He can affect what the minister is going to do.

Miss Stephenson: He should get a haircut.

Mr. Cousens: I do not tell anybody to get a haircut because I pay half price now.

He could have a significant effect in caucus if he attended tomorrow and brought this point of view to assist the government to come to a better understanding.

We will move slowly now to section 11, which grants the cabinet broad powers to establish regulations. Sweeping changes that could amount to policy changes could be effected by the cabinet without any input from the Legislature. I have a lot of respect for the people who serve our province in cabinet, those who go there go with good intentions and put in a lot of time. I know the kind of dedication shown by the people who are so active within our party and who have done so much for this province.

But why put more responsibility upon them when that responsibility should be out of their hands and in the hands of the Legislature? Why should there not be some accounting to the public for the decisions that are made? If we have a great big pile of decisions to make, how can they all be as good? How can the last one be as good as the first one? It cannot be, not when they are trying to pile so much in. There are other ways of accomplishing this, but not by putting more of the onus on cabinet.

Subsection 11(2) of the bill and sections 5 and 6 of the draft regulations in the schedule establish the reimbursement by the Ontario drug benefit plan to the pharmacist as an actual acquisition cost of the drug and the dispensing fee. No mention is made of any method for negotiating the dispensing fee. That is something new. Why can there not be negotiation? Why can there not be discussion? Why can there not be openness? Because they are not in the bill.

4:50 p.m.

If we are going to have a bill that responds to all the people of this province, it should have the balance I am talking about. This is a dictatorial bill which will undermine the health care system.

According to the schedule, only the cheapest, multiple-source drug price will be listed. The pharmacist will be reimbursed for this amount unless the drug is not available to the pharmacy at that price and the doctor writes, "No substitutions," on the prescription, or the minister has approved a more expensive brand for the use by the patient under section 6 of the bill. That is assuming the minister got the letter and responded and the patient is still alive, because the time that could have passed since the whole initiation of these proceedings could have been so exasperating that everybody gave up and the ghost is gone.

Let us move on to section 4 of the bill. This will effectively take away the right of senior citizens and welfare recipients to receive whichever brand of medication their doctor and pharmacist deem best. It will not be that long before some of us are in that position. Do members want to have someone who is not totally aware and understanding of all their health concerns making a decision that affects them?

Mr. Taylor: The government members are in that position now.

Mr. Cousens: They are, and if that is where government is to be, that is not where I want government to be. It is for us to make sure that government knows what it is getting into with this.

Everyone has a sense of compassion for our senior citizens, and they have a sense of not being able to fight for themselves in the way we can. We are making a decision here that means confusion for a senior citizen who has sent a neighbour or someone else to the drug store to pick up their prescription if one week it will be one kind and another week it will be another kind. They may be going by the way the pills were coloured or what size they were.

The confusion that will start coming in will be just another matter. They will not know what they are taking and why they are taking it. When

they go back to their doctor, and if there has been some effect that came into it, will the doctor be able to understand fully all that has happened? The doctor will not be able to understand because all the answers will not be in front of him. The doctor will no longer know exactly what pills or medication that patient was taking.

An hon. member: Send them to the government.

Mr. Cousens: Yes, they can go to the government. They can ask the Minister of Health, but how can they ask him if he is not around? It is a very serious problem. The problem is fundamental to the very freedoms we have built into this province, that a person who has made the decision to go to a doctor to receive medical aid and has been prescribed a certain form of medication, will no longer be guaranteed or certain that he will receive from the pharmacist the medication his doctor has prescribed.

The minister has now taken one component out of the equation, and that is the doctor. We are no longer following his will. We are going to be following someone else's. Is this not against what the federal government would have? Is this something that could come up under the Charter of Rights and Freedoms? Is it something that is taking away one of those rights from an individual patient who says: "I want something. I have gone to my doctor. Because he says I should have it, I want that."

Now someone else along the way says: "Well, no. We have another thing here that will solve your problem and we are prepared to give you that one. In fact, you have to take it. You do not have any choice, old person. You take it, because now the law says it." I want to protect those senior citizens who otherwise will have no one to voice their concern. I am voicing it now before it is too late.

The member for Kent-Elgin (Mr. McGuigan) shakes his head. He will probably be a senior citizen soon. Maybe there will be an opportunity for him to raise the same question when he himself has that experience. I do not want that to happen to him. I will go a step further. I do not want him ever to be sick because he is too good a person.

It does not say what the government is saying. What the government is now doing is intruding on the personal freedoms and rights of an individual. We do not have to be arbitrary. We do not have to be uncaring. We can come through with a sense of balance that allows us to fulfil more of the intent that was part of this government before the Minister of Health took over.

The lowest-price, multiple-source drug will always be a generic product. What then will happen to the innovative pharmaceutical manufacturers?

People say, "Oh, Cousens, you are taking the side of those free enterprisers again." I am probably also taking the side of the 1,800 employees who work for them and whose livelihoods are dependent not only on preparing the drugs but also on helping to explain the use of new products to doctors and to pharmacists. They are the ones who have the overhead and the high costs of introducing new drugs into the marketplace that allow us–the consumer, the sick or whoever–to obtain the benefit of those innovations far more quickly than we would have done if those people had not been working for the pharmaceutical companies and coming out to make sure we were aware of what was available.

I have a great concern that the whole effect of this legislation on the drug business in Canada could be to force pharmaceutical manufacturers to reconsider their involvement in Ontario. Do we want to see an exodus from Ontario, as there was from Quebec a few years ago? The drug companies moved from Quebec to Ontario. I think we are going to drive them back to Quebec. "With a Liberal government there and a Liberal-New Democratic Party government here, I guess it does not really matter," they are going to say.

However, the change will come sooner than we think. If we see them start to go, then the government will start scratching its head, if there is anything there to scratch, and begin to say, "Maybe we went too far with Bill 54." It will be just one of the straws that breaks the camel's back and causes others to say: "The government is getting involved. How can we survive in business? There is no reason to be around here any more." The American head office will ask: "Why stay in Ontario? They really do not need us; they do not want us." It will close down the operation in Canada and send their products in across the border.

The innovative or the name-brand manufacturers will never be able to compete with the generic manufacturers on price alone. Their prices have to reflect the research and development costs they bear, as the generic manufacturers do not. The generic manufacturers are concerned that only the lowest-priced generic drugs be listed, that all other manufacturers of that drug product effectively be shut out of the Ontario drug benefit

plan market. Is that what the government wants to do?

I am pleased that the Minister of Health is now sitting in his seat. The member for Windsor-Riverside is not back yet after making that quorum call, so we can see the genuineness of his intent in this House. I appreciate that at least the minister is here, though he is not totally listening because he is talking to one of his honourable good friends, the member for Kent-Elgin.

I still think there is time for the minister to allow open discussion and debate on Bill 54. I would stop speaking right now if I had some feeling from the minister that he was willing to open up greater discussion and dialogue on this.

The tragedy is the innovative drug manufacturer will be shut out of the Ontario market. It is one of the institutions that has helped make a strong health care system, which is part of the free enterprise system. The government cannot do everything by itself. We need to have a relationship with the free enterprisers and with the free market to keep the doors of communication open and to allow the dialogue to continue.

The message they get when the government is not prepared to discuss this bill any further is that we do not care about their attitudes, we do not care about their views. Should we not care? We would not be where we are today had they not made the contribution to our health care system that they have.

The anxiety builds up, and it builds up over a period of time. Once we see the Minister of Labour (Mr. Wrye) with more legislation on what the Ministry of Labour is going to expect, that will be another straw on the camel's back. They are going to say, "Hey, this is becoming a true socialist state."

5 p.m.

We are going to have workers' compensation benefits so high and excessive that it is going to be impossible for a company to do business here because the profits are going to be spent in workers' compensation costs. We are going to see others with the spills bill and the kind of further regulation of industry through that. We will see the Attorney General (Mr. Scott) bringing in more laws. We will see the Ministry of Consumer and Commercial Relations doing its thing. What happens is a closing in on or a strangulation of the businessman and the free enterprise system. Now we are affecting that system as it directly affects the health care system in our province.

The cries will be loud. The people will not like what the government is doing. This government will not be around to correct it; someone else will be here. It will take a few years for it all to happen. The good companies will not leave right away. They will try to work something out. However, the regulations will pile up. This is just one and there will be another. Who knows? There will be another from the Ministry of the Environment, another from the Ministry of Government Services and another from the Attorney General. Then they will say: "I give up. I quit."

That is what they did in Quebec when they said: "Mr. Lévesque, you have finally done it to us. We have had it; we are through. We are moving to Mississauga;" and they did. A lot moved to Mississauga. We received a large infusion of people from Quebec when the drug manufacturing industry felt the serious impact of government intervention. That is the next step in Ontario. Maybe this will not cause it, but if there are enough bills such as Bill 54, that is all it will take. What will they do then? We will rely on generics, on the American experience or on another province's experience and say, "If it is okay for them, it is okay for us."

It has never been that way in this province until now. We have allowed the opportunity for Ontario to make its own decisions. If they rely on generic drugs, they are doing that. They are saying, "If it is good enough for someone else, it is good enough for us." I do not want that. I do not think they want that either.

Mr. McGuigan: The member likes the freedom of the apartment flips.

Mr. Cousens: It is not only that. There are more freedoms than that. It is the total freedom that allows a person in enterprise to maintain his business and livelihood in a spirit and way that allows him to know, "This is home." Government establishes an environment for business–

Mr. McGuigan: The western banks will take us for a billion; the member likes that.

The Deputy Speaker: Order.

Mr. Cousens: I had better go back to some of my original points because the honourable member obviously does not fully understand what I am trying to say. If only he were able to sit back and realize there is a benefit to the various drug companies. The thing they have a problem with is that the third party does not like the fact someone makes a dollar. It does not like to see anyone make a profit in almost anything. There would be government regulation and government control all over. Every aspect would be controlled.

Mr. Taylor: Whose bill does the member think this is?

Mr. Cousens: I wonder. I think the bill originated at one of the early-morning coffee parties that existed between–

Mr. Davis: Over at Sutton Place.

Miss Stephenson: The Sutton Place breakfast.

Mr. Cousens: No, not a Sutton Place breakfast.

An hon. member: Yes, the Sutton Place breakfast.

Mr. Cousens: Does it include the Treasurer (Mr. Nixon) in the discussion of Bill 54?

Miss Stephenson: Yes, and the Attorney General.

Mr. Cousens: The Attorney General?

Miss Stephenson: And two members of the New Democratic Party.

Mr. Cousens: Two members of the NDP; probably Mr. McClellan and Mr. Breaugh. It probably also includes Sean Conway, because he is good eater at breakfast.

The Deputy Speaker: Will the member please refer to other members by the names of their ridings?

Mr. Cousens: I should have known better. I will do it over again with the ridings.

The member for Brant-Oxford-Norfolk (Mr. Nixon) is meeting with the member for St. David (Mr. Scott). Sometimes the member for Renfrew North (Mr. Conway) comes with his appetite. He is still a single man and has to have someone prepare breakfast; so he goes to those meetings. As well, the member for Bellwoods (Mr. McClellan) and the member for Oshawa (Mr. Breaugh) and two members of the third party's research group sit down and talk about the evil things–

Miss Stephenson: Plus Hershell Ezrin.

Mr. Cousens: Yes. He does not have a seat, but I have to mention Hershell Ezrin's name because he is part of the milieu and the body that make up the thinking that goes into this pernicious bill.

Mr. Runciman: The Speaker agrees. He is nodding his head.

Mr. Cousens: I am talking about Bill 54 and how it began. It began over a cup of coffee. Probably when they brought out their saccharine tablets they realized, "Oh, my goodness, we should not be using saccharine any more."

Miss Stephenson: It was the aspartame.

Mr. Cousens: We need the aspartame now. Then someone said: "Hey, a job has come up for Murray. We can give him something to do." Then someone else said: "Does he not have enough to do? He is going to lock the doctors out shortly. In fact, he really has a lot of things on his mind because we have a lot of meetings over here." "No," they said, "Murray is a brute for punishment. Let us have him take the pharmacists on."

At that point the Attorney General says, "I think we should do something about the lawyers." The Minister of Revenue (Mr. Nixon), who is also the Treasurer and Minister of Economics, said, "Let me get them." It was the Minister of Revenue who said, "I want to see us take away their QCs and then we can really put our name on the map."

That is how they are doing it. They are doing it by taking on individual groups and having fun with them and not being responsible to them or for them in their best interests and in the interests of the province.

Over a cup of coffee–I can just see it now–they said, "The Minister of Health can begin to make changes here and we can make this province different from any other." Do you know something, Mr. Speaker? You are, they are, we are doing that. We will make it different because we will cease to be the democratic state we have been until now. There has been open and true dialogue by all people in this great province on all issues that are going to affect every person here.

The problems with Bill 54 have yet to be addressed fully and discussed in great detail. When that happens, then the people of the province will know the process has been right. If the process is not complete and the dialogue full, how can people believe for a moment we are worth the money we are collecting in this job as MPPs? We are not worth it unless we do a full and complete job. It is not fun to do unless we do it right.

I know many of us are anxious to do the right thing. I know others who look on this Legislature have that desire, as Larry Zolf goes and talks to people out in the world and tells them the Legislature is alive and well. He is going to say we are barely alive and are sick, but he will not be able to find a pharmacist who will deliver a pill because we are too far gone, or a doctor because they might be out on strike. He will go to a lawyer and say, "I am looking for one with a QC," and they will all be out wondering how they are going to get their QCs back.

We have problems developing in this province. Some people may think it is funny. I do not think it is funny at all. It is only funny to those who do not understand the ramifications. Look at the people who have written the telegrams and talked to us. They are just saying: "Please, legislators, discuss it fully. Take a full account of what your responsibility is all about."

I am not taking sides with anyone on this. I have a constituent and very good friend who is a pharmacist in the town of Markham. He has written the Minister of Health in support of the recommendations on the Ontario drug benefit plan. I would like to spend some time going through those recommendations, because he is taking a position quite different from the Ontario Pharmacy Association's.

5:10 p.m.

Bill Crothers, an athlete of great renown, and I are good friends. We even bicycle in the annual cancer bikeathon, and I see him on a regular basis at our ski club. He is a man who has conscientious concerns about the reactions people are having to the Ontario drug benefit plan.

He has communicated with the minister, largely in support of what the minister is doing. To me, that is the balance we must have in this Legislature, but my point is to hear all sides; do not arbitrarily make up one's mind and say, "It is going to be this or this way."

Do not gag the public. Do not gag a professional group that otherwise has no voice in what happens to its members' careers or professions. If anyone in this House thinks for a moment a pharmacist is not a professional with great responsibility, he does not understand the situation. Why do something to them without giving them that opportunity to be heard? I can speak in the Minister of Health's defence in this regard. He will find people who agree with him, but will he find the vast majority of those in that system?

Mr. Shymko: We need a professional minister.

Mr. Cousens: No, I would never say that. I believe the Minister of Health is a nice guy, badly directed by the coffee group, but nevertheless–

Mr. Mackenzie: The honourable member is a nice guy too.

Mr. Cousens: I try to be, and with the honourable member to help me I will be a better person. I am willing to listen to the member if he has a good idea for a change.

Let me give a few quotes from Bill Crothers, who says:

"The act is rather well written and gives the government virtually the authority to negotiate or impose almost any condition upon pharmacy. Some will consider this a weakness because they will feel uncomfortable being in the position of being reasonable when they negotiate."

He outlines some of the strengths and weaknesses. Regarding clause 11(1)(g), he points out:

"In principle this clause seems good because it provides for the mandatory supplying of verifying information to the ministry. However, from a practical point of view, it has the potential of being a monstrous headache. It really depends on the number of drugs involved, the frequency of the reporting and the kind of data required. But because unless the pharmacist knows in advance what data is required for which drug, he may have some difficulty locating that information."

He then gives an example of some of the things in his store that show it may be a problem.

"I am sure that there is a way to use the regulations in such a way to gather this information in a manner which is not reprehensible or offensively time-consuming to the practising pharmacist."

That is from someone on the minister's side–he is gone again–someone in support of what the minister may be trying to do. There is nothing wrong with two points of view, or three or four, but let them all be heard.

He has quite a few comments on the regulations. I suppose I cannot talk about the regulations in the House. Mr. Speaker, what is your ruling on that?

The Deputy Speaker: If they are connected with Bill 54, I see no problem.

Mr. Cousens: Excellent.

Mr. Mackenzie: He has not seen the regulations, mind you.

Mr. Cousens: I have not had the pleasure of going through the regulations in intimate detail, and I wish I had a copy of them here, but there are a number of concerns there that have to do with the schedule and the mechanism by which all pharmacies are entitled to their compensation.

There will be some strength in that it will restore a certain marketplace to the pharmacy, according to Bill Crothers, because the Ontario drug benefit fee will no longer dictate the minimum fee that will be charged in the marketplace. There is a sense of opening up there that he feels is good. He feels the schedule will make provision for compensation to pharmacies for their acquisition costs. He goes on into some of this price spreading that is a concern to him in the use of PC 34.

I am pleased he is able point to some of those things. He feels there is an opportunity for further competition in those areas, but he also points to a fundamental weakness of the regulations in subsection 9(6).

"I am not sure of the rationale for submitting the amount claimed, except in the circumstances listed under schedule or claims normally submitted on a special claim form. This subclause would seem to be redundant." He goes on: "It is just poor writing of the clause. It is possible that this figure may have some relevance to the ministry." He is saying there are some areas for discussion.

"I believe, I think, that you can expect a significant amount of criticism for clause 5, because many pharmacists will be apprehensive of a price war where dispensing fees are advertised. This representation, of course, gives credence to the claim that the ODB agreement in effect now, specifically the marketplace concept of pricing, has been used as a method of controlling dispensing fees to make sure that nobody charges less than the ODB fee.

"The existing situation, and one which many will wish to keep, certainly has been in the interests of most pharmacists, but one can hardly claim that it has been in the interests of the citizens of the province."

The one concern I have is that we do the right thing for the citizens of this province. If we can do that, we have done our job honourably and we can feel we have contributed to the future wellbeing of our children and our children's children.

Mr. McGuigan: That does not include a price war.

Mr. Cousens: If someone is raising concerns and both sides are still in the process of raising those concerns, why not complete the dialogue? I could go further. I have some more data here that pertain to some of the concerns of Bill 54. I am in a position where I could go on at some length, but I know there are others who wish to take part in this debate.

Mr. Davis: Keep going. I am enjoying it. Go right ahead. There is no problem with the member speaking for ever.

Mr. Cousens: I could deal with the philosophy of government.

Mr. Mancini: Go ahead. We would like to get all this on the record.

Mr. Cousens: I am prepared to do anything that deals with the bill. I would like to see a bill come through that does not allow one person or the minister to have the kind of control there would be in the legislative assemblies of Haiti or the Dominican Republic where there are dictatorships.

Our government, because of the confidence the people had in it, did not do the kind of thing the member is talking about now. What we are seeing is a government of regulations, a regulatory power that is going to come into this province and this jurisdiction in the way it runs business. It is already at the point now where many people do not want to start up a business any more because of all the rules and regulations.

The first thing one has to do is get an accountant, and the accountant can keep one going for hours making sure one does all things right. That accountant has to be someone who comes out of Clarkson Gordon or Woods Gordon with the kind of background that understands all the rules and regulations this House has made.

Free enterprisers are not necessarily people who know all the rules. They know how to make a dollar and they know how to serve the community. If that service is for a just cause and is worth something, then they can make a dollar out of it. If it is not, they will sit as members of Parliament for the Liberals or something. In the past there was an opportunity for people in this province to go out and do something with their lives. Now it is going to happen that there will be regulations.

I draw the Speaker's attention to what some of the regulations are all about in section 11. Subsection 11(2) talks about a regulation made under clause 11(1)(f), which has to do with the amounts payable to the minister. It goes on to delineate a very large regulation that may "provide for a specified amount, provide one or more methods for determining the amount or authorize the minister to determine the amount payable in respect of each drug or drug product."

Oh, boy. Maybe one of the questions that has to be answered is this: how many more people are going to be hired by the Minister of Health to run the ministry?

Mr. Polsinelli: Is the member accusing us of creating employment?

Mr. Cousens: Yes, I am. When the member for Yorkview says I am saying that, I would not be smiling on that one if I were him. To me that is going to be the very thing that cuts his legs out from under his feet, because the people of this province do not want to see us spend money we do not have. The people of this province do not want to see a large bureaucracy. They were proud of the efforts being made by the Davis govern-

ment to reduce the number of civil servants. Now the Liberal government is trying to increase the numbers again.

Mr. Davis: Thirty-six new Housing officials, all Liberals.

Mr. Cousens: I do not mind the fact that they are hiring their relatives because it gets them off the street, but I wish they would not hire any.

Mr. Polsinelli: The member advocated a stiff economic climate that would attract enterprise.

The Deputy Speaker: Order.

Mr. Cousens: I want to attract; did the member say detract enterprise or attract enterprise?

The Deputy Speaker: Order.

Mr. Cousens: I am anxious that we develop an environment for business to prosper in, and I think we have been doing that in recent years. However, we are moving to a new era with the actions being detailed in this legislation.

Mr. Ferraro: That is why unemployment went down.

Mr. Cousens: I would do anything to fight unemployment except to see us hire the unemployed into the bureaucracy of Ontario. I do not want to fight unemployment that way. I do not want to see the unemployed going around as inspectors checking the pharmacists.

5:20 p.m.

Mr. Davis: With no qualifications.

Interjections.

Mr. Cousens: That is a Liberal for you.

I do not want to see that. I would like to see us find ways of generating employment, but we do that by generating confidence in what the marketplace is all about.

By the way, the government's recent budget does nothing to stimulate confidence in the future of Ontario. The budget provides lots of good services that I want to see, but it does nothing to stimulate business. It is not doing anything to help the businessman. The government is taxing him more and penalizing him more and now it is putting more regulations on him.

It is saying to the businessman: "Government has the confidence of the people. We, with the New Democratic Party accord, are in a position to do what we want." What it is doing is eroding the confidence that business has always had in the government of Ontario.

Mr. Ferraro: That is why Toyota came in. The member is right: they do not have any confidence in the government.

Mr. Cousens: I am pleased that Toyota came in, but I despise–

Mr. Davis: That is why the government lost Hyundai.

Mr. Cousens: I would love the member's answer to why it went to Cambridge and not to Markham. In response to that important interjection, when the question came up as to why Toyota went to Cambridge rather than to Markham, someone said, "We did not want to give up the good agricultural base in Markham." What they are taking in Cambridge is agricultural land.

Mr. Ferraro: Does the member want us to throw Toyota out?

Mr. Cousens: No. I look for business to come into this country. I am exceedingly proud of Sinclair Stevens and his efforts to bring it in and I think Sinclair Stevens was exceedingly instrumental in getting Hyundai into the country.

I will go a step further. If something is good for Canada, it is good for Ontario. I will take that stand any time. If Hyundai has certain reasons for going to Quebec and not to Ontario, that is fine.

Mr. Davis: Those guys did not fight hard enough.

Mr. Ferraro: Ask Brian.

Mr. Cousens: I am just saying I will fight for Canada and Canada comes first because I am a Canadian first.

The Deputy Speaker: Order. The member for Scarborough Centre (Mr. Davis) and the member for Wellington South (Mr. Ferraro) are being noisy with their interjections. Please let the member continue his debate.

Mr. Cousens: Toyota is just an example of a company, and it could have been a pharmaceutical company. If Toyota pharmaceutical were to come into Ontario, I would be pleased. However, with this legislation Toyota pharmaceutical, if there were such a company, would say: "I wonder whether I would want to locate a plant in that province. That province is getting so overregulated it is even more regulated than Japan is. We had better go to some other state." So the Toyota pill would not be available in this province.

It could happen with any pharmaceutical company. I am not privy to what companies are looking at coming into this province right now, but if a pharmaceutical company were to see Bill 54, it would think twice about it; it would think three or four times, and we would not see it come in. I challenge the member to tell me of one pharmaceutical company that is now even

thinking of coming into Ontario. I will sit down while he tells me.

They all went quiet. Tell me what pharmaceutical company is thinking of moving into Ontario right now.

Mr. Ferraro: Tell me one that is moving out.

The Deputy Speaker: Order. Please address the chair.

Mr. Cousens: They will all be thinking of moving out, and I can give–

Interjections.

The Deputy Speaker: Order. The member has the floor. Will the other members please stop interrupting? Carry on.

Mr. Cousens: Thank you very much, Mr. Speaker. It is rather distracting when other members are bringing up points that are not germane to this important issue.

Mr. Ferraro: Toyota pharmaceutical is?

Mr. Cousens: Who knows? I do not know the name of the next pharmaceutical company that is going to come into Ontario. I simply want to make sure we do everything possible to attract it here. Then when it is here, the second part of the equation is to do everything we can to keep it here. However, when it is here, this does not mean that one starts changing the regulations and rules so it no longer feels comfortable in our environment and then it says, "Okay, we will go back to our head office environment, perhaps in the United States or maybe back to Quebec."

I will fight that every day of my life. I will disagree with the government's policy if that policy is to undermine the free enterprise system in this province. If the government can undermine the rights of our patients and of the people who are going to pharmacists, I will fight it on that one. I am fighting only because the person in Ontario who has come to depend upon a strong health care system is the person who is now vulnerable, and we who are his defenders in this House have to do everything within our power to fight for him.

I am not fighting for the pharmacists, and that is why I put forward the view of my constituent Bill Crothers, who has quite another view. I respect the fact that there is more than one point of view. However, let us at least listen to them all. Let us allow this House to open up its mind and hear them all. If it takes a few weeks or a few months, what is the matter with that if, in the end, we are able to come up with a piece of legislation we ourselves can believe in?

It has happened before in this House. Controversy has been laid on the table and we have had to work it out. We have gone to committee and through committee there have been amendments. Those amendments have helped to respond to the outcry of the people of this province. My concern is that we not shut them off before they even start.

Interjections.

Mr. Cousens: I have always listened to the member for Sudbury East (Mr. Martel), even though I did not always like to. I have obviously hit a hot spot. They cannot take it. They do not like it. The people of this province will question him when he goes to them for the next vote of confidence. Someone is going to say to him at his next meeting, "Why is there not a drug?"

They will go to the member for Yorkview and say: "You are our good friend. You have been nice. You smile good. We like you very much." They will say it in a way that is genuine, but at the same time they will ask: "Why can we no longer get the kind of response for a prescription that we want? When we take our prescription in we expect something, but it is different now."

What is the member going to say when someone says: "My mother died. We wondered what happened. Something happened. Why did you arbitrarily change things"? Someone from northern Ontario, not as far as Wentworth North, but someone who is way out of town–

Mr. Ward: That is really north.

Mr. Cousens: The member does not have anyone up north.

My good friend the member for Algoma-Manitoulin (Mr. Lane) is dreadfully concerned that, with the changes being imposed by this legislation, pharmacists in his riding will close down.

Mr. Ward: Is he concerned for the consumers?

Mr. Cousens: Absolutely. The member for Algoma-Manitoulin is concerned for the consumer because once the pharmacy is closed down the consumer will have to drive 30 miles or more to get his prescription filled. That is the ultimate concern.

Our ultimate concern has to be the consumer, because it is that very person who will suffer if we make it difficult for a pharmacist to have a viable, operational business. If pharmacists make a reasonable profit, there is nothing wrong with that. It is the consumer who is going to have to drive 30 miles to get his prescription filled if it closes down; it is there now 24 hours a day.

I know this about Englehart. I used to travel through that part of the area and I knew a pharmacist there. If he went out to the theatre or a

show or was out of town, he would come back to find a note on his door saying: "John, I have a problem. I have been to the doctor and I need this prescription filled. Can you look after it? I will be over to pick it up if you will phone me when you get in."

John would get into the house, go downstairs, mix and prepare whatever it was, phone and the person would be there. He lived above his pharmacy and he provided that kind of service.

That service could disappear. Perhaps the pharmacist will say: "Why be in this any more? It is just more aggravation, more government control, more government intervention. My opportunity to serve my patients, people who have established a relationship with me over these many years, is something–I will retire early or maybe I will let it go to one of the big chains and get the money."

These guys do not have a lot of money. Before we had the excellent programs instituted by our government that allowed people on welfare, people with different disabilities or senior citizens to profit by having drugs available to them at no charge–it was not long ago that was not available–those people got drugs free of charge from that pharmacist. The members should not forget it. He was there serving the people of his community because he loved and cared for them. It was a sense of obligation that he felt within himself.

Why now do we come out and say: "To heck with these guys. We are going to legislate it. We are not going to negotiate. We are going to change the rules. It is going to be our way or no way"? That is why they are upset.

Mr. Ward: How did you change the rules before?

Mr. D. W. Smith: Just stop talking. We will go to committee.

The Acting Speaker (Mr. Morin): Order. This is not question period. Please continue.

Mr. Cousens: I would have loved to have responded. It would have been a pleasure to have gone into it. The sense of confidence now is gone. They knew the government was doing it in their best interests. They were not happy with the Conservatives because the negotiations took so long.

5:30 p.m.

Hon. Mr. Curling: It took 42 years to do it.

Mr. Cousens: It is true. I do not think the pharmacists have ever been great friends of the Conservative Party. Their primary interest has always been their patients.

Mr. Polsinelli: Some of them are.

Mr. Cousens: Okay. Do members know something? The honourable member is right; it is probably the best thing he has interjected all day.

As in any profession, there is always going to be someone who does not do it the way the rest of the profession does, so a disciplinary act has to take place within the pharmacy association. I am not sure how it is done, but there is a self-governing and self-policing system, and if they cannot do it, then I am sure the Attorney General or the Solicitor General (Mr. Keyes) would find ways of making sure they are fulfilling their responsibilities in the best interests of the public of Ontario. I support that.

I do not want to be in the position of having said that all pharmacists have done the greatest thing for all the people of the province. There have to be one or two pharmacists who have not, just as not all MPPs are necessarily the very best for all the people in doing all the right things.

This may well be one of those situations where those members as Liberals want to stop, step back, rethink and do the right thing for the people, which is to allow open and complete dialogue on this matter. Then out of this, if the bad pharmacist comes up and gives a point of view, listen to him. Members opposite can then determine, along with ourselves, whether his point of view should be taken or not.

I would support that. If it is going to committee right now for a full and complete dialogue, I will pass to the next speaker. If that is the intent, obviously I am thrilled that the members in the back row are starting to support the fact that it should go for a full discussion in committee.

Interjections.

Mr. Cousens: Look, we almost have a quorum of the Liberal caucus. There are five or six members, and that is all who ever attend their caucus meetings anyway.

Mr. Ward: Let us go right now.

Mr. Cousens: If those guys would allow a full, open and complete dialogue on it, I would be pleased to be chairman of it. It looks as though I might well have been made chairman, and I would do this at no charge so we could get on with what is the right thing for the province.

I have shared some of my views on this important issue. I know there is a member in the wings who is anxious to make a few further comments on this important bill and I will allow him to have some time. Mr. Speaker, I appreciate very much your indulgence and that of all honourable members in this House for the

comments I have made on this issue. My only purpose in speaking has been to relay the concerns of all my constituents.

Mr. D. W. Smith: And of Toyota pharmaceutical.

Mr. Cousens: If there is such a company, I would be honoured to use whatever it had if I needed it. I sure hope it is there when I need it rather than somewhere else because we went and turned it off and did not give it a chance to come into this province. Who knows how many people we are turning off right now.

Mr. Haggerty: Quite a few.

Mr. Cousens: We want to see every pharmaceutical company possible come into this province. In these remarks, I am serving that interest. Let all the people benefit through the full and complete dialogue that would be held in committee. Time is the most important ingredient in this process right now. Let us take the time for discussions to take place so this bill can be understood and, where necessary, modified to respond completely to the balanced needs of the whole of our great province of Ontario.

ROYAL ASSENT

The Acting Speaker (Mr. Morin): I would like to inform the House that in the name of Her Majesty the Queen, the Honourable the Lieutenant Governor has been pleased to assent to certain bills in his chambers.

Assistant Clerk: The following are the titles of the bills to which His Honour has assented:

Bill 43, An Act to authorize the Raising of Money on the Credit of the Consolidated Revenue Fund;

Bill 44, An Act to amend the Small Business Development Corporations Act.

ONTARIO DRUG BENEFIT ACT
(continued)

Mr. Ward: Before the last two speakers, I was not intending to speak to these bills this afternoon but a number of points have been raised that I would like to touch on.

It is interesting to note that much of the discussion being generated by members on the other side relates to the whole process by which this government is addressing this very important issue, the process and the issue of open discussion. This government is a very open and accessible government. It was interesting to note that at the outset of the debate the critic for the Tory party, the member for Cochrane South (Mr. Pope), went on at length to say he recognized there was a problem.

There has been a problem about drug pricing in this province. Unfortunately, the member maintained that this problem had come to light only in 1984 and that during the previous administration some steps were being taken to address this very important issue. I want to bring to the attention of all members of this House that this is not a new problem; it is a long-standing problem.

Drug pricing has been a subject for previous commissions, including one chaired by Julian Porter. I am not sure of his political affiliation, but apparently he contracted to undertake a review of drug pricing in the early 1970s. I want to stress this whole issue of openness and public discussion.

In 1978 the government of then Premier William Grenville Davis recognized that there were problems in relation to drug pricing. Did he have public hearings? No, he did not. Did he bring in legislation? No, he did not. Did he have public discussion? No, he did not. What he did was commission a confidential report by one Knowles Bailey, a retired food company executive, who reported to the Davis government that the consumers of this province were paying too much for prescription drugs because the province effectively sets retail drug prices.

From much of the discussion that has gone on, one would think the members of the Tory party are not interested in supporting this legislation. I find that rather hard to believe or to understand. There was a very interesting article in the Globe and Mail on September 28, 1985, immediately before the leadership convention held by the opposition party. In that article the member for Don Mills (Mr. Timbrell) "said he still supports the recommendations of the Bailey report. He said on several occasions he put forward recommendations based on the report to cabinet but they were not accepted."

Further on in the article there is some input from another former Minister of Health in the Davis cabinet, Keith Norton. It is most interesting to read that in Mr. Norton's opinion the issue had got tremendously out of hand, the consumers of this province were suffering under the current drug pricing legislation and the provincial tax coffers were being unfortunately ripped off by the current process. He thought the situation was so bad that he immediately referred all the information he had to the Ontario Attorney General.

It is refreshing to know some members on the other side of this House have recognized that

there are serious problems related to drug pricing. I hope those members over there still have enough influence among their caucus members that they will encourage that party to support this bill so we can get it as quickly as possible to a standing committee of this Legislature, as we do all pieces of legislation, and have public hearings to gain a little further input.

5:40 p.m.

It is also interesting to note that the members opposite seem to be complaining so loudly about this whole business of open discussion. I know for a fact that in the first week we had some responsibility for governing this province, the issue of drug prices came very much to the forefront and was under active review by the Ministry of Health. Indeed, the Provincial Auditor identified in his estimates that more than $14.5 million was paid in excess of what was appropriate for drug prices in Ontario, so we knew we had a serious problem and discussions began with representatives of pharmacy groups.

Before we get too far along assuming the pharmacists are solely to blame for this process, there is one fundamental matter that should be understood by all members of the House. It is not the Ontario Pharmacists' Association that sets the prices; it is the government of Ontario through the publication of the drug price formulary. Unlike most retail transactions where a product is purchased on the basis of the least cost, in many instances pharmacy products are purchased by pharmacists on the basis of what product will generate the most profit by way of the price spread, the difference between the cost price listed and the selling price listed.

Consequently many pharmacists have been able to take advantage of the fact they can pay more money for a product but if it has a much higher selling price, then they are going to make extraordinary profits on the basis of the price spread. It is not on the basis of the best cost available to them or the best cost the consumer can gain with a reasonable markup, but on the basis of a unilaterally submitted price on the part of the drug manufacturers. That is the most fundamental problem underlying the whole issue.

Since this legislation was put forward, it is fair to say I have talked to 20, 30, or maybe 40 pharmacists and many of them support some of the changes being put forward. If one looks at some of the submissions that have been made and reads the Gordon commission report and previous submissions made by the OPA, one will recognize that many pharmacists have shared the concern of the government over the practice of price spreading.

One thing that is very interesting, since we are talking so much about openness–

Mr. Davis: We are not objecting to that. It is the heavy-handed way the government dealt with it.

Mr. Ward: I know the member for Scarborough Centre (Mr. Davis) will want to hear this. The one thing that really surprises me when I have suggested to the pharmacists I have met with that I would like to see their background information and could they provide me with a copy of their brief to the Gordon commission, the one thing that should come as a surprise to all of us and to the public of Ontario, is that the OPA insists that its brief to the Gordon commission remain confidential. That is openness? I do not know what it has to hide. Perhaps members opposite do.

The article in the Globe and Mail on September 28, suggests there was one reason these changes were sidetracked along the way. When the member for Don Mills wanted to bring in changes he was shot down by the cabinet or by his Premier. When Keith Norton wanted to bring in changes, he was shot down. The article goes on to suggest that apparently a close personal friend of the Premier, one Donald Mills, was a lobbyist for the OPA and whenever it looked like some activity was going to be placed, it suddenly became sidetracked.

I would not want to believe that for a minute. It concerns me that the idea of openness for some people in this House, particularly those opposite, is not to listen to Ontario consumers or senior citizens or to act necessarily in their best interests, but to listen only to special interest groups, to have access by the back door to the very high-powered lobbyists. To them that is open discussion.

We have broken some of those patterns of access. We are prepared to listen to consumers, pharmacists, independent pharmacists and all those who have a concern about health care in the province, not just the high-priced lobbyists with close Tory party connections.

I do not want to go on too much longer because I know the member for Scarborough Centre has quite a bit to say on this. Over the course of the past week, we have had many letters, petitions, etc. read into the record. The issue of petitions is very interesting. I have had some concern about the kind of public relations exercise the pharmacists' organizations have been undertaking in the past few weeks.

I do not doubt for a minute that many of the letters I have received, if not most of them, are very conscientious and legitimate. I am somewhat distressed by some of the obvious distortions that are being put out, such as pharmacists telling their customers they will not be able to counsel them because of this legislation. It has nothing to do with that. As an independent businessman and a professional, I cannot see that happening.

There is something which concerns me even more. To highlight it, I will use an example. Last Friday, my wife visited a pharmacy in Hamilton, a Kohler's Drug Store on James Street North. Perhaps the member for Hamilton East (Mr. Mackenzie) is familiar with it. She went in to buy some products. She did not identify herself, went up to the counter and was asked to sign a petition to oppose Bills 54 and 55. Playing the devil's advocate a little, she said: "This is very interesting. Can you tell me what Bills 54 and 55 are about?" The person behind the counter said: "Yes, ma'am. It is a proposal by the government of Ontario to remove all Ontario drug benefits from senior citizens in this province. Sign it here."

As far as I am concerned, those kinds of practices are despicable. I do not want to suggest all pharmacists are guilty of that.

Miss Stephenson: Was that a pharmacist?

Mr. Ward: All I can tell the member for York Mills is that it is but one example of what I believe to be many distortions which are going on.

Miss Stephenson: Was that person a pharmacist?

Mr. Ward: I cannot answer that. I do not know.

Mr. Davis: That is exactly the point.

Mr. Ward: That person was under the control of the pharmacist. I think the member would concede that.

I want to read some letters into the record. The members opposite have been wonderful at reading many form letters and personal and individual letters explaining the positions of consumers and the general populace in this province. I have a few letters to which I would like to draw the members' attention. The members opposite claim they are very concerned about the consumers of Canada, and certainly we are as well. One letter I would like to quote is from the Consumers' Association of Canada, Ontario division.

"We feel that price spreading is most unfair to consumers and that it has been going on for far too long. We welcome some action on this by your ministry."

The Ontario Health Coalition, in a press release "for immediate release" on November 26, expressed its concern that pharmacy association ads were misleading and unprofessional. "These associations are attempting to alarm the public, especially the elderly, by threatening them with the loss of service. Further, Ms. Harding said it was high time the health industry and health providers face the fact that times have changed and the public is no longer awed by professional mysticism."

The Toronto mayor's committee on ageing forwarded a letter of support on November 4 on behalf of the senior citizens of this province. "The committee is pleased with your plan to permit some drugs to be dispensed in quantities larger than one month's supply."

It is interesting that in some of the background information I looked at in the submissions to Mr. Gordon, etc., one of the reasons identified by this high-powered lobby for retaining a 30-day supply–there are differences of opinion on this. I am sure the member for York Mills, given her professional background, probably has some strong opinions of her own. The one reason put forward so strenuously by the Ontario Pharmacists' Association was that the 30-day supply would generate additional volume dispensing fees for the druggists. That is not a reason for a 30-day supply. If there are good medical reasons, I would be more than pleased to hear those.

I have another letter from the United Senior Citizens of Ontario: "We are appalled that the previous government, having spent $89,000 on the Gordon report, had taken no action to alleviate this situation. We realize the high cost of drugs is attributable to the practices of pharmacists and manufacturers of inflating drug prices in the semi-annual list."

Mr. Polsinelli: Is that the same group that was against the federal deindexing of pensions?

5:50 p.m.

Mr. Ward: I do not think that is the same group that was against the–

Mr. Polsinelli: Against deindexing.

Mr. Ward: Yes, against deindexing. I believe that was a Tory plan in Ottawa.

I have another from Canadian Pensioners Concerned, Ontario division. "The Ontario division of Canadian Pensioners Concerned is appalled about the price-spreading practices by

pharmacists and drug manufacturers. We herewith submit our support."

The Association of Jewish Seniors, November 22, 1985, "The two bills introduced at the Legislature, the Ontario Drug Benefit Act and the Prescription Drug Cost Regulation Act, should ensure more responsible drug pricing, which in turn will benefit Ontario taxpayers."

I do not want to consume a lot of time because I know the member for Scarborough Centre has many interesting things he wants to say, but I do want to set the record straight on a few items.

First, this problem is not new. It comes about as a result of inactivity or a refusal to act by the previous government on a long-established problem that it recognized. The member for Don Mills, during his leadership campaign, was quite prepared to recognize it. Keith Norton, a previous Minister of Health, as recently as two weeks ago said he wished the Minister of Health well because it was about time something was done.

Second, I want to set the record straight with respect to much of the input, the telegrams and form letters, we are all receiving. Pharmacists have a right to have a voice in this province and they will be heard before the committee. All the members of this House know perfectly well that as soon as this is referred to committee, they will have their opportunity for input.

I also want all the members of this House to know that the Association of Jewish Seniors, Canadian Pensioners Concerned, the United Senior Citizens of Ontario, the Toronto mayor's committee on ageing, and thousands upon thousands of other Ontarians support us on this legislation.

Mr. Davis: Mr. Speaker, it is nearly six of the clock and I would like to make a number of remarks. Do you wish me to being now or should we–

The Acting Speaker: Adjourn the debate at six.

Mr. Davis: Adjourn the debate at six; fine.

I take great pleasure in rising to speak on this important issue. I think the issue has a number of parameters that need to be examined and I would like to begin with my learned colleague's remarks about the openness of dialogue.

It seems to me that the present government uses the smokescreen of dialogue and open communication to blind the people of Ontario. They should have some kind of sense that they have an opportunity to come, debate, be heard and change legislation. We know we have been asking for openness in debate. It is my understanding the minister has stated that he would like to have debate very restricted. He would like to have six or nine large organizations come to speak to us. He wants to control the amount of time we spend in the day.

The only time this government seemed to approach the concept of open debate–perhaps it is afraid to do it again–was when we had the Bill 30 open debate, when we did have unfettered hearings and everybody was welcome. All through that process the government continually tried to limit the amount of debate saying, "If you have heard one or two, you have heard them all."

When one of our illustrious members on this side of the House decided to make a career decision and run for the leadership, it was the government members who were publicly quoted as saying, "To make that kind of statement prior to the hearings ending was wrong." What they tried to do was to limit it. That is what these members are trying to do. They are using smokescreens. "Come and talk to us." They pass legislation. They introduce legislation and they state to the public–

Interjections.

The Acting Speaker: Order. Just ignore the interjections.

Mr. Davis: I do. It is the trained seals that are barking. I thought they were on this side.

The present government says, "We are going to introduce a piece of legislation and we are going to have open hearings on it." Then what it does is–

Mr. Offer: On a point of order, Mr. Speaker: The member indicated with respect to the hearings on Bill 30 that there was an attempt not to hear everyone. I wonder if the member could please expand on that.

The Acting Speaker: This is not a point of order.

Mr. Davis: They have this smokescreen and they say, "Come and talk to us." Then they go off to committee but they may limit the committee. They limit the amount of time and they rule by mandate, by decree, by fiat. They make those decisions.

Mr. Ward: How did the Tories handle drug pricing profits before? The back door; lobbyists.

Mr. Davis: We were prepared to sit down and negotiate. One of the things the Liberals have to remember is that if they want to play the game called negotiation, if they want to play that game and have public involvement, they have to be prepared to allow it to run its course. The present government is not prepared to do that. What it is

prepared to do is to hold out a carrot and say, "Come along, let us begin it, but we are going to cut you off here."

That is what this government is prepared to do. If they do not allow openness in the hearings, then they do not have hearings. The minute those in government get a little flak from the other side they say: "I am going take my ball and run with it. I am going to start a new game and you are going to play it that way." There is no rationale for the introduction of Bill 55 or Bill 54. They can use the present piece of legislation and change it. There is no rationale whatsoever.

We established the Ontario drug benefit program which pays the cost of prescription drugs to senior citizens and to welfare recipients. An important point my learned colleague made was that before we introduced that bill, many pharmacists across the province ensured that those people had adequate drug protection because they cared about people and because they were professionals.

I daresay the kind of action the present government has taken lately against the professionals in this province often makes them wonder why they want to be professionals. A number of people are beginning to say, "You have rights and you do not have rights," depending on the mood of the government, along with their counterparts on this side, as they begin to try to bring in a new era of government.

I believe Orson Welles wrote about it in his book Nineteen Eighty Four–

Mrs. Grier: He did not. It was George Orwell.

Mr. Davis: George Orwell. Thank you. In his book.

Miss Stephenson: Orson Welles predicted the invasion of the Martians.

Mr. Davis: He predicted the invasion of the Martians. I sometimes think we have had the invasion of the Martians on the other side.

Mr. Ward: Is the member supporting the bill?

Mr. Davis: I am still talking. I will let the member know in due course. In the fullness of time, I will make my remarks known.

Hon. Mr. Elston: That is what the Tories have been doing since 1978. All talk and no action.

Mr. Davis: Let me finish. We began the process, and as time went on, it became apparent there were difficulties–we are not denying that–but we sat down to negotiate. The problem is that sometimes one cannot solve issues overnight. One can deal with the problem two ways: one can either protract those negotiations and attempt to bring them about–

Mr. Ward: For seven years?

Mr. Davis: It has not been seven years.

Or one can do what the government does and rule by decree. They can rule by government intervention in the lives of the people of Ontario. Big Brother government will look after us. That is what they are going to do.

One of the problems we have with this bill is that it has been the intention of the government not to have completely open hearings, not to allow the people of Ontario and the professional people and the pharmaceutical people and the doctors of this province to come and present their case. The government has made a decision. Now they are going to run with it, whether anybody likes it or not. It is important that we begin to have that sense of the openness they proclaim as their party policy and that they have an open dialogue with anybody who wants to talk to them.

The House recessed at 6 p.m.

CONTENTS

Monday, January 13, 1986

Statements by the ministry

Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue:
Province of Ontario Savings Office 2980

Riddell, Hon. J. K., Minister of Agriculture and Food:
Ontario family farm interest rate reduction program 2979

Scott, Hon. I. G., Attorney General:
Crown employees 2979

Oral questions

Curling, Hon. A., Minister of Housing:
Roomers and boarders, Mr. O'Connor, Mr. McClellan 2986

Elston, Hon. M. J., Minister of Health:
Drug substitute, Mr. Grossman, Mr. Rae 2981
Emergency facility, Mr. Gillies 2990

Grandmaître, Hon. B. C., Minister of Municipal Affairs:
Regional municipality of Hamilton-Wentworth, Mr. Allen, Mr. Dean 2990
Vote recounts, Mrs. Grier 2991

Kwinter, Hon. M., Minister of Consumer and Commercial Relations:
Pension funds, Mr. Rae 2984
Insurance rates, Mr. Rae, Mr. Grossman, Mr. Swart 2985
Insurance rates, Mr. Swart, Mr. Gregory 2986

Munro, Hon. L. O., Minister of Citizenship and Culture:
Multicultural grants, Mr. Leluk 2987

Peterson, Hon. D. R., Premier and President of the Council and Minister of Intergovernmental Affairs:
Urban Transportation Development Corp., Mr. Grossman, Mr. Rae 2982
Trade office, Mr. F. S. Miller, Mr. Rae 2987

Riddell, Hon. J. K., Minister of Agriculture and Food:
Ontario family farm interest rate reduction program, Mr. Stevenson 2989

Wrye, Hon. W. M., Minister of Labour:
Minimum wage, Mr. Mackenzie, Mr. Gillies 2988

Motions

Committee sitting, Mr. Nixon, agreed to 2992
Private members' public business, Mr. Nixon, agreed to 2992

Second reading

Ontario Drug Benefit Act, Bill 54, Mr. Elston, Mr. Gregory, Mr. Cousens, Mr. Ward, Mr. Davis, recessed 2992

Royal assent

The Honourable the Lieutenant Governor 3015

Other business

Recess 3019

SPEAKERS IN THIS ISSUE

Allen, R. (Hamilton West NDP)
Andrewes, P. W. (Lincoln PC)
Bennett, C. F. (Ottawa South PC)
Cooke, D. S. (Windsor-Riverside NDP)
Cousens, W. D. (York Centre PC)
Curling, Hon. A., Minister of Housing (Scarborough North L)
Davis, W. C. (Scarborough Centre PC)
Dean, G. H. (Wentworth PC)
Edighoffer, Hon. H. A., Speaker (Perth L)
Elston, Hon. M. J., Minister of Health (Huron-Bruce L)
Epp, H. A. (Waterloo North L)
Ferraro, R. E. (Wellington South L)
Gillies, P. A. (Brantford PC)
Grandmaître, Hon. B. C., Minister of Municipal Affairs (Ottawa East L)
Gregory, M. E. C. (Mississauga East PC)
Grier, R. A. (Lakeshore NDP)
Grossman, L. S. (St. Andrew-St. Patrick PC)
Haggerty, R. (Erie L)
Kwinter, Hon. M., Minister of Consumer and Commercial Relations (Wilson Heights L)
Mackenzie, R. W. (Hamilton East NDP)
Mancini, R. (Essex South L)
McClellan, R. A. (Bellwoods NDP)
McGuigan, J. F. (Kent-Elgin L)
Miller, F. S. (Muskoka PC)
Miller, G. I. (Haldimand-Norfolk L)
Morin, G. E., Deputy Chairman and Acting Speaker (Carleton East L)
Munro, Hon. L. O., Minister of Citizenship and Culture (Hamilton Centre L)
Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue (Brant-Oxford-Norfolk L)
O'Connor, T. P. (Oakville PC)
Offer, S. (Mississauga North L)
Peterson, Hon. D. R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)
Polsinelli, C. (Yorkview L)
Rae, R. K. (York South NDP)
Riddell, Hon. J. K., Minister of Agriculture and Food (Huron-Middlesex L)
Runciman, R. W. (Leeds PC)
Scott, Hon. I. G., Attorney General (St. David L)
Shymko, Y. R. (High Park-Swansea PC)
Smith, D. W. (Lambton L)
Stephenson, B. M. (York Mills PC)
Stevenson, K. R. (Durham-York PC)
Swart, M. L. (Welland-Thorold NDP)
Taylor, J. A. (Prince Edward-Lennox PC)
Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)
Ward, C. C. (Wentworth North L)
Wrye, W. M. (Windsor-Sandwich L)

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Legislative Assembly of Ontario

First Session, 33rd Parliament
Monday, January 13, 1986
Evening Sitting

Speaker: Honourable H. A. Edighoffer
Clerk of the House: R. G. Lewis, QC

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CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Monday, January 13, 1986

The House resumed at 8 p.m.

ONTARIO DRUG BENEFIT ACT
(continued)

Resuming the debate on the motion for second reading of Bill 54, An Act to Authorize and Regulate the Payment by the Minister to Specified Persons on Behalf of Specified Classes of Persons for the Dispensing of Specified Drugs.

Mr. McLean: I am not sure I see a quorum. I would like to speak at length on this bill and I am just curious whether there is a quorum here.

The Deputy Speaker: There is a quorum present.

Mr. McLean: Thank you very much, Mr. Speaker.

We of the Progressive Conservative Party have been deluged with mail from pharmacists all over this province. All are protesting the Liberal proposal to change the role of the pharmacist in this province. We are also hearing from those on fixed incomes who fear that changes proposed by this Liberal government will increase their costs on this very crucial matter, and that is prescription supply. I make particular reference to those on fixed incomes just to let members know we are not leading a crusade for an élite group of professionals. We believe the pharmacist is providing a vital service and should not be discouraged from this pursuit through oppressive legislation.

To give members some background, the Ontario drug benefit plan in this province was established in 1974. Under this plan, pharmaceutical manufacturers submit prices for their products to the Ministry of Health. These prices are supposed to represent the wholesale cost of 100 units of the product. The prices are then published in the Ontario Drug Benefit Formulary. Pharmacists dispensing drugs to ODB client groups are reimbursed by the ministry at the price listed in the formulary. The pharmacist is reimbursed with a fee for dispensing to a maximum of $5.

As time went on, problems developed. The most serious problem was a price war among generic manufacturers in 1982 and 1983. The price war gave birth to the widespread practice of price spreading. The pharmacists have claimed that price spreading has allowed them to maintain a decent profit margin, and any attempt to lower the spread has resulted in cries for increased dispensing fees to cover lost profits. In 1984, the listed prices for 30 of the most commonly used drugs were lowered and the dispensing fees were increased by 35 cents.

While the cost of the program has increased dramatically since its inception, price spreading and increases in dispensing fees are not the sole culprits. The number of drug benefits covered by the ODB plan has doubled from 1974 to 1983. As well, with the increase in the number of products and people covered came increased administrative costs.

That is a bit of an overview on the history of the early stages of the Ontario drug benefit plan.

Now we come today to the situation where our Liberal government in Ontario has entered the confrontation stage. In March 1984, the then Conservative government of Ontario commissioned a study to analyse and make recommendations on the problems in the operation of the ODB.

The Gordon Commission on the Pricing of Multiple-Source Drug Products in Ontario reported in August 1984, and we used its recommendations as a framework for our negotiations with the pharmacists. The Liberal Minister of Health (Mr. Elston) should note the operative word here is "negotiations."

These negotiations were under way in June 1985. The pharmacists say they favour the recommendations of the Gordon report. However, Mr. Gordon has been quoted recently in the press as saying he doubts the pharmacists like his recommendations now because they represent the lesser of two evils.

Here are the primary recommendations from the Gordon report:

"1. The Ministry of Health should continue to publish the Parcost CDI/Drug Benefit Formulary in its present form, listing all products eligible for reimbursement...and the maximum allowable cost for each, and all products certified as interchangeable by the drug quality and therapeutics committee....

"2. Prices should continue to be listed for all drug products in an interchangeable group, and,

for each manufacturer's product, should be no more than 20 per cent higher than the best volume price available from the manufacturer" for that product. "This method of determining the price for listing could also be applied to single-source products....

"3. The Ministry of Health make it a condition of listing for any particular drug product that the manufacturer of that product sign an agreement with the Ministry of Health stating that the prices submitted are accurate and will be adhered to." The penalties for nonadherence could range from the termination of reimbursement to the restriction of reimbursement price increases.

That gives the members some idea of how drug prices are arrived at. This brings us to the very controversial matter of dispensing fees.

The Gordon commission recommends that the Ministry of Health and the Ontario Pharmacists' Association should continue to negotiate a single dispensing fee. It says, "The negotiated dispensing fee should continue to be applicable to all drug benefit prescriptions with the exception of over-the-counter products, and to all Parcost pharmacies."

For the sake of brevity, I will leave out the recommendations on dispensing fees in this report. Number 3, though, is quite interesting. It says the dispensing fee should not be adjusted just because the basis for determining prices has changed; these kinds of fee adjustments "only serve to erode the usefulness of the cost-plus-fee concept."

8:10 p.m.

The Gordon report also recommends that section 155 of the Health Disciplines Act be amended "to allow pharmacies to charge a usual and customary fee when product substituting or product selecting." It further recommends that section 155 be amended "to delete the phrase 'at a price in excess of the cost of the lowest-priced interchangeable pharmaceutical product in his inventory' as it applies to product substitution. Pharmacies should continue to be restricted to the lowest price in inventory on product selected prescriptions."

The report also recommends that the Ministry of Health and pharmacy organizations should set a target level of substitution.

It is the refusal of the Minister of Health to sit down and negotiate with the pharmacists that appears to be the crux of the whole controversy. I cannot understand how the minister can come in and arbitrarily tell these pharmacists how they should run their businesses without at least talking it over in some detail.

We have had considerable response from senior citizens who are concerned that their neighbourhood pharmacies will be forced to close. To those in large centres such as Toronto, the closure of a pharmacy would have an impact, but can one imagine the impact if it is in, say, Coldwater, which coincidentally is in my riding of Simcoe East? Coldwater is a village of 900 people; they are left with two choices: they can go without a prescription or they can travel up to 75 kilometres to pick it up. Of course, they could wait and have it mailed out to them, but it is a matter of health and wellbeing and, today, who wants to wait on the mail?

My colleagues have spoken previously on the undesirable effects of running Bills 54 and 55 together. Bill 55 deals with cash customers and Bill 54 deals exclusively with the Ontario drug benefit plan. Everyone seems to agree there is a need for realignment of the ODB, but there is widespread agreement that the Liberal method of operation is not the way to overcome these problems.

Again, going with consensus, the bills as proposed are not expected to produce the desired result. Indeed, they would produce negative results, which no one really wants to see.

I feel the present government is taking a cavalier attitude when it calls for the bills to be sent to the standing committee for review. A responsible standing committee would call for further input from all parties affected by this proposed legislation.

We can hope, giving the present government the benefit of some considerable doubt, its basic aim was to get lower drug and prescription prices. Now we can look forward to increased prices for drugs in Ontario. Pharmacists resent the attitude taken by the present government, when it will very likely reflect badly on the pharmacy industry.

The pharmacists ask: "How can this government take it upon itself to be such an expert in the field of pharmacy? What is the rush? Why not take the time and talk it over with those who earn their living in the business?" These are the questions we are asking on behalf of the pharmacists in this province.

The Premier (Mr. Peterson) was quick to condemn the Prime Minister for cutting federal transfer payments without consultation. Surely he does not feel consultation is a one-way street travelled only by those who would cut the process off from him while he goes along in his arbitrary way.

The pharmacists went out of their way to let the Premier and his Minister of Health know they wanted consultation rather than confrontation. Had this consultation with the pharmacists resulted in a deadlock, the fairest approach would have been to submit the fee schedule to binding arbitration.

Under the legislation proposed by this Liberal government, we have a formula for a cost increase. Here is how it works out, again according to the people in the business, the pharmacists. The system of acquisition costs, as proposed by the Liberals, is likely to increase costs to the consumer. This proposal removes the incentive for the manufacturer to offer, and the pharmacist to seek, the most competitive prices. This proposed legislation will discourage pharmacists from negotiating purchasing advantages, and as a result, the manufacturer will find less competition in the marketplace. With these results, in the circumstances the net result can only be higher prices.

Getting back to Professor Gordon's report, the pharmacists would be encouraged under his recommendations to seek the lowest possible cost, and that is for the drug component of the prescription. This system, based on the lowest possible costs, would provide across-the-board lower prices to consumers by creating competition among the manufacturers.

We all know the drug component is only one element in the cost of a prescription. The second element is the dispensing fee. Under the bill proposed by this Liberal government, the government would have the authority to determine this fee arbitrarily. The pharmacists feel this authority is excessive and unreasonable. It represents a permanent imposition of government power on a self-regulating profession.

There is a misleading aspect to this legislation as proposed, and that is the posting of the dispensing fee. The pharmacy posting the lower fee may not be selling the lowest-cost prescription, because the cost of the drug component may well be higher.

In the bill as proposed there is no provision for the fact that the government proposes differences in dispensing fees according to the drug prescribed. There will be further confusion because the fee may not necessarily be the same between interchangeable or generic drugs. Some pharmacies may not charge dispensing fees at all on over-the-counter prescriptions. A lower fee may be charged on birth control prescriptions and a higher fee charged for noninterchangeable drugs not covered by legislation.

Can the minister tell this House the value of posting a single fee with these examples? He is not here tonight; he should be here listening to some of these comments. If he could answer that question, I would have to agree with him that there is further need to discuss the matter with the pharmacists. I suggest, though, that when pharmacists can outline such quandaries as this, there is room, and indeed a need, for further consultation. The posting of that single fee will not help the consumer make an informed decision on whether he or she is getting the lowest possible cost on a particular prescription.

This Liberal prescription for harmony in the drug and pharmacy profession is a bitter pill to swallow. What is the rush to ramrod this legislation through? Does this government not realize the threat to a small community to have its pharmacy disappear? Even in some larger centres, when one or more pharmacies shut down, the stress caused to some of our senior citizens whose lives literally depend on their prescriptions is enormous. In the interests of all in Ontario, we should be able to convince the Minister of Health to give the pharmacists in this province a full hearing, and I am sure he will.

8:20 p.m.

During the past several months I have had letters from many pharmacists in my riding. I have met with groups of pharmacists and have listened to their concerns. I have approximately four pharmacies in what we call the small communities and villages in my riding that depend solely on the area for their support.

I have a letter from a young pharmacist who is just starting and I would like to comment on what he has to say. He is just out of pharmacy school. He is Larry Wilson of Washago Pharmacy Ltd., which opened a few months ago in a medical building built by the Washago legion and the community with many dollars collected from the area. They are trying to acquire a doctor, a medical professional, and a pharmacist to serve the people in that small community.

He says the main concern is the handling of the pharmacy fee negotiations by this government. He says: "They are also worrisome. First, the Liberals were reneging on their party's promise of $5.23 as the base fee for prescriptions. They have rolled it back to $5. The new price book for ODB has not come out as it should in July 1985. As a result, we are paying higher prices for drugs, but are being reimbursed at January 1985 prices.

"Most worrisome is the prospect that the government now plans to legislate a new fee

without negotiations. Now I understand there is going to be a chance for input from the pharmacists."

He wants to be able to come before the committee to tell his side of the story about the hardship on the small communities, how it will affect him and how the drug delivery system in Ontario has worked so well for years.

In June 1985, I received some letters from pharmacists in my riding. The member for Lincoln (Mr. Andrewes) was Minister of Health. I sent him a letter asking him to negotiate with the pharmacists in Ontario. the letter I got back thanked me for the concerns I brought to his attention and said: "Please be assured that we are aware of these matters and we share your concern that the continued negotiations will produce a satisfactory result. To this end we will strive in good faith for a resolution which is equitable."

At that time, the Minister of Health was negotiating with the pharmacists across the province. It appeared the negotiations would end in good faith and it would be resolved so that all parties agreed. However, that is not what happened when this government took over. It decided to tell the pharmacists how to run their businesses and that is not really what it is all about.

A lot of these people have salaries of between $30,000 and $35,000 per year. They work Saturdays, Sundays, weekends and nights. What other profession puts in those hours for the same amount of money? The government is telling them: "We will not negotiate with you. We are going to tell you what you should be making.

That is not what I am hearing from the public. I am getting letters from senior citizens and from all kinds of people across Ontario. I had a letter today from a doctor. It was surprising because he said, "I do not care whether you make us stay in the Ontario health insurance plan, but I can tell you I do not agree with what the government is doing to the pharmacists in this province." That is from a doctor and it shows there is real concern.

The new government assumes it understands this complex situation. After being out of power for decades, they feel they can dictate to the people of this province what things and how things should be done, but I do not think they can dictate to the professional people of this province.

I have several other letters which indicate to me that there is a great concern among many people about the druggists in this province. There are not many people going to their doctor who at some time or other do not have to get a prescription for whatever reason. Pharmacists give advice to people who need prescriptions which are so vital to the health of families. People depend on their pharmacist for advice. The issue the government does not understand is the importance of pharmacists in communities.

The Minister of Health in his wisdom is right to have a very open and fair hearing at which anybody who would like to appear before the committee has the chance to do so. I believe Bill 54 affects every resident of this province. This is an important piece of legislation and I do not think it should be handled lightly.

I know the minister in his wisdom will find time to make sure that the hearing is fair, that the pharmacists, the senior citizens and the concerned people of this province will be able to appear before the committee and explain their views and considerations of what they feel should take place. Some of the amendments may be small but they could be very important.

What concerns me the most are the small pharmacies in the villages, the hamlets and the rural areas of this province where people do not have to drive a great distance in order to fill the prescriptions the doctors in the small communities they live in have recommended for them.

I hope and feel sure the minister will see fit to make the hearings very thorough so we end up with a good piece of legislation with which the pharmacists and the government will be satisfied, a bill that will be of benefit to all the people of Ontario.

8:30 p.m.

Mr. Partington: I am pleased to express my concerns about Bill 54 and, in particular, to urge the government to refer this legislation dealing with the sale and distribution of prescription drugs in Ontario to a committee for full public discussions before amendment, which appears necessary, and passage.

The government of this province, drug manufacturers, doctors and pharmacists can take pride in having a drug distribution system second to none in the world. The people of Ontario have enjoyed the benefits of this drug distribution system and with it the finest health care system in the world. Although this drug distribution system has been the best, we must continually strive to ensure it remains efficient, effective and sensitive to the needs of the citizens of this great province.

We must do nothing that will damage the system, impair its effectiveness or make it less sensitive to the needs of our citizens. This

government, however, in its desire to show speed, decisiveness and power, and perhaps thinking–although I doubt it–it will bring quick, needed relief to the people of Ontario, may be damaging the very system it purports to improve. It may be bringing to the people of Ontario long-term pain for its own short-term political gain.

The need for full discussion of Bill 54 and its related bill, Bill 55, has been brought to the attention of all members of this House. One theme that has come to me regularly and loudly is the need for the government to listen to the pharmacists, to be open and permit full input and not to introduce these bills by edict. Time and time again, that theme has been related to me.

I have a copy of a letter to the Minister of Health dated December 10, 1985, signed by Ms. Linda Gaudet on behalf of the St. Catharines and Area Pharmacists' Association. Ms. Gaudet is a charge pharmacist with the Shaver Hospital for Chest Diseases in St. Catharines. She emphasizes the approach the government has taken. I would like to quote a couple of small paragraphs:

"It would appear the minister would like to dictate to the OPA a plan supported by scattered advice from individual pharmacists and unmentioned others. This impression is illustrated by the minister's question to a pharmacist from Geraldton, 'Would acquisition costs be better for you?' How can the minister be in a position to arbitrarily legislate pricing practice when he is still asking questions of this nature at this time?"

Later, on page 3 of the letter, Ms. Gaudet states: "When analysing the situation, we as pharmacists play a small role in the entire picture of costs of the plan. In fact, our contribution has been unrealistically held for the past two years. However, we stand to be hurt most by the legislation.

"Further, in response to a letter from a Niagara area pharmacist, the minister states he cannot understand how it is the Ministry of Health is expected to pay large amounts of money to pay for drugs in Ontario which are purchased in other provinces for considerably less. We also wonder why this occurred. It would seem logical that if the minister is currently unable to understand the development of the problem in this province over the last two years, he should be equally leery of legislating radical changes for overnight results. No one can solve a problem they do not understand or have not properly defined."

Following that theme, in a letter to the Minister of Health from Howard Stephen Lackie, 17 Briarfield Crescent, a druggist in St. Catharines in the riding of Brock, he states, "The issue of drug pricing in this province has come under scrutiny and serious attack by your government in order to control the cost of financing the rising cost of the Ontario drug benefit plan, as well as pricing for non-ODB prescriptions."

He goes on: "Your intent to better manage these cost issues is well intended and I support every reasonable effort to provide prescriptions and all health care, as well as all other necessary government-supported social programs at realistic costs to all people of this province. The Ontario Pharmacists' Association has always been prepared and willing to discuss and negotiate a fair and equitable drug benefit program for all interested parties. Yet this legislation is being enacted unilaterally with regard only to the perceived positive benefits of cost savings without regard to the multitude of negative consequences."

One can see from those statements that Mr. Lackie is setting forth the desire of the pharmacists of this province to come up with a reasonable solution to provide drugs to the people of Ontario at fair costs. What he stresses is that there be some negotiation with the pharmacists and the pharmacists' association, that they have input. The pharmacists are the people to whom this government should be listening very substantially.

Druggists such as Howard Stephen Lackie, Ms. Gaudet and others in the riding of Brock to whom I have talked recently, Bob Allen my neighbour, Mr. Yielding of the Potter and Shaw pharmacy in St. Catharines and so many others, are very sincere, bright, long-term members of the community and people whom I am sure have at heart the best interests of those they serve.

Mr. Villeneuve: Confrontation, no consultation.

Mr. Partington: The same theme was expressed in the position paper of the Ontario Pharmacists' Association on Bill 54 and Bill 55. I will quote a statement by them.

"Legislative measures without the fullest consultation with and input from representatives of the key players to be affected by that legislation is destined for unnecessary difficulties and, ultimately, we believe to failure. All of this is completely unnecessary when the interested parties have pleaded for it and remain committed to giving their fullest and best-faith input if only given the chance to do so."

I urge the government to make sure that statement comes true, that it gives the OPA, the individual members and members of the public,

anyone who wants to come forward, a chance to express their position and show the good faith I am sure they have. It is exceedingly important to ensure there is input from professionals, experts, pharmacists, doctors and others because it appears there are substantial issues in these bills that are not right and that will hurt society rather than help it.

I will go through three or four of these matters. Section 4 of Bill 54 prohibits pharmacists from charging or accepting payment from ODB customers. Welfare recipients cannot afford to pay the extra for their drugs but many senior citizens can. Even if these senior citizens prefer a more expensive drug than the one covered by ODB and can afford to pay the price differential, this section prohibits that from happening. The pharmacist must either refuse to grant the request or lose money in providing the customer with the more expensive preference.

8:40 p.m.

If the drug is not listed in the ODB formulary and if a physician wants to prescribe it to a patient, he must get the minister's approval. Since section 6 is written in terms of individual patients, each case would require approval. It is obvious it would create a very difficult procedure, especially if a patient were seriously ill.

I find it hard to believe that doctors would equip themselves with all these agreements that would have to be prepared and filed in order to get the proper medicine into the hands of the patient, especially as we know that most of the time the treatment of sick and injured people is not planned. It occurs as an emergency.

Subsection 11(2) of the bill, sections 5 and 6 of the draft regulations and the schedule, establish reimbursement by the ODB plan to pharmacists at the actual acquisition cost of the drug and a dispensing fee. No mention is made of any method for negotiating this fee. According to this schedule, only the cheapest multiple source drug price will be listed, and the pharmacist will be reimbursed for only this amount unless the drug is not available to the pharmacy at that price, unless the doctor writes "no substitution" on the prescription or unless the minister has approved a more expensive brand for use by the patient under section 6.

When we combine that with section 4 of the bill, we take away from a senior citizen or a welfare recipient the right to receive whichever brand of medication his doctor and pharmacist deem best. As a result, the government is in effect prescribing by regulation the best medicine for a patient, a totally insensitive regulation, over and above the prescriptions of the doctor or the dentist at the time the drug is required.

I might mention that Howard Lackie, to whom I referred earlier, listed in his letter to the Minister of Health a great many possible negative consequences of introducing the bill as it stands. As he points out, the issues are very complex, and he lists some of them. Some of his reasons concern the operation of a pharmacy, some concern the profitability of a pharmacy and some point to the disservice to the consuming public. I might mention just a few of the potential negative consequences noted in Mr. Lackie's letter. He states:

"This present proposed legislation will cause closing of pharmacies, a decrease in the work hours available to employees, actual loss of jobs, an increase in unemployment, a severe loss of service to the public in all areas of the province with more drastic occurrences in the rural and remote areas."

The fact that he states them does not necessarily mean they are absolutely true; however, he points them out as problems, and problems such as these must be addressed. The only way problems like these can be addressed is by permitting people like Mr. Lackie to have full input at a public hearing. These consequences would be just terrible if they happened, and it is up to the government to make sure that before these bills are brought to final form, all of these potential problems are properly addressed and assurance is there that they will not occur. Mr. Lackie goes on and says:

"Further negative consequences are higher government administration costs, higher individual pharmacy administration costs, different fees to cash customers and to private insurers, inequitably lower profit margins and return on investment for pharmacies and drug manufacturers."

That is important, too. In the society we live in, it is very important to make sure we keep the free enterprise spirit alive. Every time we add further bureaucracy, further controls and more paperwork, we frustrate the businessman. We make it harder for him to earn a living. As Mr. Lackie has suggested, at some point one might just close the doors and go and work elsewhere.

Mr. McFadden: The government should listen to Mr. Lackie.

Mr. Partington: It certainly should.

Mr. Lackie goes on to talk about a decrease in pharmacist manpower through a disincentive to enter the profession, sufficient disenchantment with it to leave and the inability to improve the

consultative process between pharmacists and their customers. That seems very appropriate when we see that one of the spinoff effects of Bill 54 is that the prescription drug will be dictated by regulation, possibly over and above the wishes of the doctor and pharmacist.

He says it would increase utilization of drugs by Ontario drug benefit plan recipients because of the elimination of the restriction to a one-month supply. I guess that refers to Bill 55, but even though it does, the potential concern of especially elderly people stockpiling drugs and then taking so many they get confused, become seriously ill and, as I am sure happens from time to time, are hospitalized because of this is an important point to raise. Although it is in Bill 55, these bills are interconnected and I am sure Mr. Lackie had that in mind when he was writing this letter.

Of course, he talks about a decreased incentive for drug manufacturers to bring new drugs to market. We see Mr. Lackie has raised a number of issues that deserve careful scrutiny by the committee, and there are other matters. I think Mr. Lackie has alluded to them. Ms. Gaudet certainly did in her letter.

I guess we get back down to the overregulation by this government of the manner in which pharmacies will conduct their business. I might refer to the dispensing fee for drugs. Certainly the Ontario Pharmacists' Association in its brief basically stated the effect of Bills 54 and Bill 55 would be to give the cabinet the power to establish not only the cost of the drug or drugs being dispensed, but also the fee to be charged in respect of any prescription, not only in the ODB market but also in all non-ODB market situations where interchangeable products are or may be involved. Such regulation could occur without any input on behalf of the pharmacy or the drug manufacturers, and no provision is made for any kind of recourse, through binding arbitration or other methods, by agreed parties.

The government has indicated it has no intention of being unfair to pharmacists. The fact remains that the legislation gives the right to impose conditions unilaterally on pharmacists in respect to their operations, not only in relation to the ODB plan but also for all other dispensing operations. If this power is used unfairly, even with the best of intentions, the result is a threat not only to the quality of the present drug distribution system in Ontario, but also to its very existence.

8:50 p.m.

It has been conservatively estimated that many pharmacies throughout Ontario will be put out of business if the present plans of the government, as they are understood by the OPA, are implemented. The OPA set that out as one of its concerns. It seems to me that concern is backed by the trend this government has been pursuing for some time; it has been reluctant to negotiate with the OPA.

It has certainly been reluctant to put these bills to committee and have full, open-ended input. That is the very process that has to take place so the pharmacists of this province can have faith in a government which can dictate at any time, without negotiation, according to Bill 54, what fees they are going to charge and how they are going to charge them.

It seems to me that Bill 54 is deficient in that regard. Surely some mechanism must be set out in the regulations that would give pharmacists some influence and input into the fees they are ultimately going to charge, perhaps by some form of conciliation or arbitration process. To leave it solely in the hands of the bureaucracy without any input from the private sector threatens the private sector. It certainly threatens the business of pharmacy.

Under section 9 of Bill 54, ministry inspectors or agents will have broad general powers to search and seize pharmacists' and doctors' records. These records contain confidential information, but the bill contains no guarantee of the maintenance of confidentiality.

Up until this date, the business and profession of pharmacy has been regulated through the Ontario College of Pharmacists and the Health Disciplines Act. It seems to me this government should be moving away from eroding the confidence in the profession of pharmacy, which has served this province well for many years, certainly from my point of view for as long as I have been visiting drug stores. This independence should be continued through the Ontario College of Pharmacists.

Again, the government is perhaps showing a lack of faith in the pharmacists of this province, people like Mr. Lackie, Ms. Gaudet, Bob Allen, John Yeilding, Chuck Luders and many other druggists not only in St. Catharines and in the riding of Brock but also throughout this province. These are druggists who are fine, reputable citizens of the communities in which they live and who contribute a great deal through charitable works and through the operation of very high quality pharmacies.

The government must give these people an opportunity for full discussion. Not only that, but it must also amend Bill 54 so as to continue to allow pharmacists to have control over their affairs, to use their expertise and to use their good faith for the benefit of the people of Ontario.

As I indicated before, many issues in Bill 54 need addressing, and for that reason there must be full public discussion. The thought of passing these bills without full input or discussion from everyone is amazing, it is unbelievable when one considers the many amendments that not only pharmacists but also others say must occur.

It is not only the pharmacists but also the drug manufacturers and the doctors who suggest that sections 4 and 6 of the bill should be amended to allow the doctor and the pharmacist to provide whichever brand of medication they believe is best for the patient and to ensure that the dispenser is fully reimbursed for that brand. They agree that the bill should be more specific, with fewer powers left to regulation. They want the bill to include a method of negotiating dispensing fees, and understandably so.

All three groups want tighter controls on the search and seizure of records and they want guarantees of confidentiality. We have been talking about pharmacists here the last while. It is not just pharmacists; it is pharmacists along with the doctors and the drug manufacturers. Many of them are in agreement on many points that are in the best interests of the public. It is the pharmacists who want the college to have a greater enforcement role, and that is understandable. I certainly support their contention.

With respect to pricing, there certainly is a difference between the drug manufacturers and the pharmacists, at least in the formula for determining pricing. The pharmacists want the best available price listed for each brand of the approved drug product, while the drug manufacturers favour the use of actual product cost plus an inventory carrying allowance. All three groups would prefer to have the Health Disciplines Act amended rather than have this legislation introduced.

It seems clear that what is required is substantially greater input into the background of these bills than has been offered to date to the parties that can best provide that input.

I will quote again from the letter of Mr. Lackie to the Minister of Health. His closing paragraph says, "I urge you to immediately open wide your lines of communication with the Ontario Pharmacists' Association to listen to their position, and to discuss openly and realistically the ways and means to achieve prescription services at reasonable cost."

Concurring with that last paragraph, I urge the government to ensure there is full and open debate, there is full participation in the committee hearings and that after the input has been made, the necessary amendments are made to these bills so that we will continue to have in Ontario a strong drug delivery system, with a vibrant free enterprise pharmacy business and profession throughout the province.

The business of pharmacy, if I may call it that, adds greatly to the sense of free enterprise that we enjoy in this province. I think it is to be encouraged. Of course, by making these necessary amendments, not only will we guarantee a thriving pharmacy sector but we will also guarantee the continuance of the finest health care system in the world for our citizens.

Mr. Barlow: I had not planned on saying much on this bill. However, I feel I should join in this debate and make a few remarks on Bill 54. I wish the minister were here to answer my one question, which is: will this bill and its partner, Bill 55, be referred to committee for full and complete hearings for all concerned citizens of Ontario who wish to participate in the debate? Unfortunately, the minister is not here so I may have to elaborate on my remarks a little more than I had intended to.

Like all of us on all sides of the House, I have received a number of telegrams, letters and phone calls from pharmacists and others in the province who are concerned about how this bill might affect each and every one of us as we buy prescription drugs at our local pharmacies.

I have received telegrams from my riding of Cambridge and from outside Cambridge. There is not an overwhelming number of telegrams, but I have three here. I have one from Richard Bodner, who is the pharmacist at Grandview Pharmacy, a local pharmacy in Cambridge. I think he is a constituent of the member for Wentworth North (Mr. Ward). I guess he could not get far there, so he felt obligated to contact me as a member of–

Mr. Villeneuve: The real opposition.

9 p.m.

Mr. Barlow: –the real opposition in this province. That is correct. I thank the member.

I have other letters here from pharmacists in Kitchener. Of course, they are not represented by an opposition member either; they are represented by a government member. That is unfortunate on their part. I have one from Guelph. I see my colleague the member for Wellington South (Mr.

Ferraro) is not here this evening to help me to help this particular pharmacist with his concerns.

I have signed petitions. Most of us in this Legislature have received petitions from students. Unfortunately, I have not heard all the debate as it has gone on for the past few days, so I am not sure whether this petition has been read into the record. In case it has not, I will read it into the record at this time.

It is headed "Caution" in big, bold letters, then it says: "This could be hazardous to your health. Two bills have been proposed by the Ministry of Health which will drastically change your method of receiving prescriptions. Do you know how these bills will affect you and me?" It goes on, "To you the customer"–that is, to all of us in this House:

"1. A longer waiting period for prescriptions.

"2. More questions for you to answer before each prescription is filled.

"3. Shortages of dispensary supplies.

"4. Less protection from drug interactions and drug potency.

"5. Less time to consult with the pharmacist about your medications or other concerns.

"6. Cash prescriptions will increase in price."

Then it continues: "To us your pharmacists:

"1. More time spent on record keeping for the government, therefore less time to devote to your prescription.

"2. Less revenue, resulting in a decrease in staff in the pharmacy."

We are all concerned, of course, about the employment situation in the province as it is today. Each of the students who has signed this sort of petition has expressed the same concern.

"3. Less time for continuing education.

"4. Fewer pharmacies in Ontario–many will be forced out of business because of financial pressure leaving some towns and villages without pharmacies."

It wraps up by saying:

"Do you feel that this would be satisfactory to you? If not, please feel free to question our pharmacist about this legislation, and please sign and return this letter to your pharmacist, who will forward it to your MPP."

These petitions arrived on my desk, and I am sure all my colleagues in this House have received similar ones. The student pharmacists are particularly concerned about their future when they graduate from the college of pharmacy they are attending at present.

I have also received a bunch of letters, some from Cambridge but many of them from outside of Cambridge, reflecting the concern of pharmacists who live outside my riding but who feel they are not being listened to by their representatives, who happen to sit on the government side of the House.

One pharmacist is the operator of a Shoppers Drug Mart at 1539 King Street East in Cambridge. This letter has one page and one paragraph on the second page. Mr. Speaker, you would probably like me to read the whole letter into the record, but I will not do that at this time.

The Deputy Speaker: If you summarize it, that will be fine.

Mr. Barlow: The Speaker would like me to summarize this letter from Thomas Chow Pharmacy Ltd., 1539 King Street East, Cambridge, which I will do. He starts off by expressing his concern about the two bills that have been introduced in the Legislature. I would like to read just the first sentence of the second paragraph. It says, "Pharmacists, as an association, have worked closely with the former government to develop the present Ontario benefit program." I shall repeat that in case some members did not hear it: "Pharmacists...have worked closely with the former government to develop the present Ontario benefit program."

Mr. Breaugh: Put a little more stress on the "former."

Mr. Barlow: Yes, that is right. For those who do not know, the former government was Progressive Conservative for several years, some suggest for as many as 42 years.

However, I shall go on. This pharmacist goes on to say it was "deemed to be fair and equitable to all parties involved." He is particularly concerned about what is being introduced and what it is going to do. He is telling us the former government was more than pleased to work with the Ontario Pharmacists' Association and it was quite pleased with the results that seemed to be developed.

He says: "Yet in the course of the last three months"–this letter is dated November 23, by the way–"Mr. Elston proposes an end to the last 10 years' developments. Not only does Mr. Elston propose to revoke everything, but he wishes to introduce unilateral legislation to regulate my profession"–his profession–"something that no democratic government has ever been allowed to do to any profession in our society."

We are seeing more and more of the dictates of the present government to the various professions and businesses. As members know, I am the critic for small business, and I regard pharmacists as small businessmen and businesswomen. I certainly feel this is something that is

going to attack their very existence as professionals operating small businesses.

I thought I should read the fourth paragraph. It says:

"Mr. Barlow, I sincerely believe that you are a man who believes in fairness." In all modesty, I have to accept the man at his word on that issue. "All I am asking is that the legislation not be railroaded to meet the January 1 deadline." Obviously it missed that deadline. "Rather, allow the proposals to be studied by committee. Invite input from the public, and I am confident we can reach a mutually agreeable solution to the major issue of price spreading."

That is from one pharmacist in my riding. I have several other letters here. I do not think I shall take time, if members do not mind, to read them all into the record.

Mr. Villeneuve: Go ahead.

Mr. Barlow: I have been encouraged to read them all. No, I think I shall pass one or two of them.

Here is one from G. Buckingham, who resides at 30 Westwood Crescent in Cambridge. He is a pharmacist in that city. In his initial paragraph, he says, "I am writing to you as one of the very many concerned pharmacists in Ontario." Mr. Buckingham says to me in this letter, and I shall share it with members, "All three involved parties, namely, the ministry, the pharmacists and the manufacturers," really have to sit down, and there is a solution to these problems but not unless the ministry is willing to sit down.

9:10 p.m.

He gives a number of statistics as far as his business would be concerned, both in loss of revenue and the cutback in his dispensing fee as well as many other things. I will not bother giving members all those.

He goes on to say, "The Gordon commission found that pharmacy has not been enjoying windfall profits." I think the minister kind of suggested to the people of Ontario that there was a windfall to the pharmacists of the province, and Mr. Buckingham tells me there really has not been.

The word is that $29 million is to be pared from the Ontario drug benefit plan by squeezing the pharmacists. This $29 million translates into about $1 per ODB prescription loss to the pharmacies. In his own store, that is a profit of about $18,000. A loss like that puts the future viability of his operation in considerable doubt. I leave the ramifications of that situation to my imagination and I would like to transfer that to my colleagues in the House; it is a concern to all in Ontario.

I am sorry I am not taking enough time to read the entire letter to members, but another paragraph I highlighted says, "Why does the ministry refuse to meet with the OPA and the manufacturers together to negotiate a Gordon solution?" I understand the minister has not met with the OPA on a regular basis. He has had one or two meetings but certainly not enough to try to come up with a solution.

This handwritten letter to the minister is from a friend of mine, Bob Eberhardt. I am sure the minister recalls reading Mr. Eberhardt's letter. He is expressing the same concern about his own livelihood and those of the people he works with. Another short letter, from Westgate Pharmacy and addressed to myself, sums up a lot of the concerns of the pharmacists:

"I am concerned and disappointed to hear of the proposed legislation that is being put forward by the Minister of Health, Murray Elston. These proposals affect all aspects of pharmacy. I feel that the proposed legislation will have devastating effects not only on the pharmacists in this province, but ultimately it will be the consumer who will suffer. Since serious public study is required on these bills, this should not be pushed through legislation to meet the January 1 deadline."

For a reason we all know, it did not meet the January 1 deadline, but it is something on which the pharmacists want full public discussion. That is exactly what this party has suggested for the past several sessions when we have debated this issue. That letter was from Shirish Shah of Westgate Pharmacy.

Those are some of the letters from pharmacists in Cambridge.

I have other letters from outside of Cambridge, including one from C. J. W. Pharmacy Inc., Shoppers Drug Mart, in Guelph. My colleague the member for Wellington South (Mr. Ferraro) is not here today, but I am sure this pharmacy also wrote to him. It gives a rather lengthy description of its concern, again urging that the situation be given the most serious consideration and to act in a fair and reasonable manner.

I have a copy of a letter from a pharmacist in Brantford who is well represented by my colleague the member for Brantford (Mr. Gillies). We have one from as far away as Cornwall; that riding is also well represented. That pharmacist, Mr. Worrall, indicates many of his concerns.

Here is a letter to me from Family Drug Mart in Kingston. I am sure they have written to other members, if not to every other member of the House. It expresses their concern. That riding is unfortunately no longer represented by a member of the Conservative Party, so they felt it their responsibility to express their concerns to me and to other members of this House.

Bruce Wheeler says in the middle of his letter, "The bills are the result of unilateral action by the Liberal government without any input from the profession of pharmacy." It is very unfortunate that this government, which stands for full and open government, does not wish to consult the pharmacists or the people of Ontario by holding the full, open meetings we have been requesting for several sessions.

I have a letter from the Ontario branch of the Canadian Society of Hospital Pharmacists. I am not going to read that letter.

Mr. Laughren: Why not?

Mr. Barlow: I have been asked to read this letter into the record, but I am going to pass on this one. I just want to say that it is from the Canadian Society of Hospital Pharmacists. A very good friend of mine happens to be the past president of the Ontario Pharmacists' Association, and he is a member of the hospital pharmacists' society.

Mr. Laughren: I still want to hear it. What does it say?

Mr. Breaugh: We are curious.

Mr. Speaker: The member may ignore the interjections.

Mr. Barlow: When I get to a shorter letter, I will read it. This one from the Ontario branch of the Canadian Society of Hospital Pharmacists is in rather small type and it would take a little bit of time to read it. I do not want to take too much time in this House, because I do feel that other members wish to address this very important matter.

Mr. Laughren: The member is embarrassed about something in the letter, is he not?

Mr. Barlow: The member for Nickel Belt is challenging me to read this letter. I am not going to read it.

An hon. member: Read the date.

Mr. Barlow: The date? It is dated November 28 and is signed by Albert E. Chaiet.

I have another letter here, from the great riding of Kitchener. My colleague from just north of my riding is unavoidably detained from attending the House this evening, I am sure. This is also from the operator of a Shoppers Drug Mart there.

Mr. Breaugh: Oh, a small pharmacy.

Mr. Barlow: This is not very long; I might read it.

Mr. Speaker: If it is not repetitious of what you have said before.

Mr. Barlow: No, I do not think so. These are not form letters; they are all individual letters.

This is from Charles A. Newman Drugs Ltd.; it is a Shoppers Drug Mart, as I say. This is not addressed to me; it is to the Minister of Health. Just in case he has not read it, let me repeat a few comments. It is dated November 15:

"I have studied the documents recently received from you under covering letter dated November 7, 1985.

"I do not find the legislation an equitable solution to the problems that you state now exist.

"You state your bills will re-establish public confidence in the retail drug industry. I assert any lack of public confidence in the retail drug industry has been generated by yourself through the derogatory statements that you have been making since assuming the post of Minister of Health. The people of Ontario have well-deserved confidence in the retail drug industry.

"Your legislation is not professionally researched and the implications are horrendous for the delivery of health care services to the people of Ontario.

9:20 p.m.

"Unless a just and equitable fee is negotiated, lack of funds will force Ontario pharmacists to curtail services, i.e. free delivery–which is extremely important to our senior citizens–and patient counselling. Inventory reductions will cause delays in patients receiving required medication. Staffing curtailments and layoffs will swell unemployment in Ontario.

Sir, what you gain in lower drug payments, you will more than lose in increased cost for inspections as outlined in your bills, in increased unemployment services, probably even increased welfare services, as well as causing suffering to a large number of the people of Ontario.

"You state you are confident a mutually acceptable agreement on a fair and equitable dispensing fee will soon be reached. I do not share your confidence. You have demonstrated to the OPA since June of 1985 a strong reluctance for the negotiators to meet. You have waffled on having meetings and not having meetings. Sir, I have a lack of confidence in your intentions." That is a very strong statement.

"Sir, I request that you reconsider, gather all the facts from all interested parties and then, and only then, act so that you serve the best interests of all of the people of Ontario."

The list goes on. That one was from Kitchener. There is one from The Village Pharmacy in Petawawa. It was written to all members of the Legislature. There is another from Forhan's Pharmacy Ltd. in Ottawa.

Mr. Sterling: I got one.

Mr. Barlow: This one is addressed to me. Does the member have a copy of it? The list goes on. As well as letters, I have had a number of phone calls from pharmacists not only from Cambridge but also from outside it.

In Cambridge, we have a pharmaceutical manufacturer, Norwich Eaton Pharmaceuticals. I received a letter not only from its general manager but also from 44 of its 58 employees. They all sent a letter expressing their concerns.

Somebody, quite unprompted and anonymously, sent me a letter that happens to be from the member for Kitchener (Mr. D. R. Cooke). Perhaps this has been read into the record before. I am not going to read the total letter. It was sent to a person in Kitchener. The name has been blotted out, so I cannot tell who it is. We are not going to know who it is.

I assume the member for Kitchener has probably taken the party line on this. He explains to this individual who wrote to him, "I feel it is very unfortunate that the Region of Waterloo Pharmacists' Association has been conducting a highly irresponsible campaign...." I find it very difficult that one professional, a professional legislator, and prior to that a lawyer–

Mr. Sterling: I bet he does not have his QC any more.

Mr. Barlow: That is right. He is still a lawyer but he does not have his QC any more.

Mr. Villeneuve: What happened?

Mr. Barlow: When the Grit government came in, away went the QC.

He sent this to an individual in Kitchener. It looks like a form letter that has gone out from every member on the government side who has had anybody raise any questions about these two bills.

He calls the actions of the Region of Waterloo Pharmacists' Association irresponsible. I find it extremely difficult to believe or to understand why a member of the Legislature would say that about a group of professionals. "It is activity which is not befitting a very noble profession." I cannot understand him making such a statement. There are a number of statements in here I really cannot understand him making.

At the bottom of the first page he says, "The fact of the matter is that the new arrangements will result in reduced profits for druggists." Naturally, the druggists are also concerned about that. He goes on to say, "However, it will not create a reduced service." The druggists do not believe that. That is the point they have been making all along and the point we are trying to make to the minister.

Let me read the beginning of the member for Kitchener's final paragraph, "Once again, I regret the undue alarm caused by the false claims of the Region of Waterloo Pharmacists' Association and the Ontario Pharmacists' Association."

I think it behooves the member for Kitchener to stand up in this House and prove which particular points are false. He is telling the professionals in my riding of Cambridge and in the ridings of three other members who happen to sit on the government side of the House that they are making false claims. That is a statement I would not want to be associated with. One of the three members from the Kitchener-Waterloo area might wish to challenge it.

I would like to go on and give a few more incidents, but I know time is marching on. Unless you insist, Mr. Speaker, I will not read any more of this information into the record.

Mr. Runciman: I understand the debate is going to be brought to a conclusion in the very near future, so I will make my comments rather brief. I want to bring to the attention of the House some of the concerns of pharmacists in my riding.

The minister brought in this legislation and made his statement in the House some time ago. It has been said that he tried to find something in the ministry he could hang his hat on and make his mark with and he decided this was the area he wanted to do it in. It perhaps arose out of his experiences in his brief tenure as chairman of the standing committee on public accounts when the Provincial Auditor dealt with the drug benefit plan and had some strong criticisms to make about it.

I do not think any of us disagree that changes are warranted, but we have to disagree with the way this government and this minister have gone about them. This present government is operating under undue influence from the third party in this Legislature. Obviously, that is affecting the Health portfolio more than any other area of this government.

The minister has systematically gone about terrifying virtually everyone involved in the medical field. I was talking to some people in the nursing home field a short time ago about a speech the minister delivered. They all suspected the speech had been written by the member for York South (Mr. Rae) and not by the minister or his staff.

I found quite an interesting article in the Globe and Mail this morning, headed "Liberals, NDP Find Sharing Bed Cosy in Minority House." I am sure that Ian Orenstein and others in that party will find that headline and the story accompanying it very interesting. For those members who are not aware of it, Mr. Orenstein is challenging the leader of the third party for leadership at the convention in June and we wish him well.

9:30 p.m.

One of the other elements of that story indicated that the Attorney General (Mr. Scott) was really a New Democrat who joined the Liberal Party in a fit of opportunism because he had a greater chance of being in government. This government is not only being influenced in the health care field and other areas because of the accord, but also through certain individual members sitting on the executive council who are something less than Liberals.

This is quite openly an antibusiness and antiprofessional government. It is a socialist government in everything but name and this legislation, along with other legislation such as the retroactive rent control and extra-billing ban, are clearly indicative of that. The government has adopted methods of confrontation and it is dealing with virtually every professional group in our society in that manner. Again, this is indicative of its very close relationship with the NDP. We have Bob Rae playing all the old socialist hymns on his organ and David Peterson holding his nose and bowing on cue.

The Deputy Speaker: You are talking about the member for York South and the Premier, I presume.

Mr. Runciman: Yes, I am. I apologize for not identifying the ridings.

I want to talk about a couple of areas of this bill before I get into specific concerns of pharmacists in my riding. One I especially want to make reference to is the section of the bill dealing with inspection.

"9(1) The minister may appoint inspectors for the purpose of this section.

"(2) An inspector or any person acting under the inspector's instructions may examine any records, in whatever form," etc.

"(4) An inspector or a person acting under the inspector's instructions may at any reasonable time," whatever that means, "on producing proper identification, enter business premises where the inspector or person believes a record referred to...may be located...."

Can we blame the profession for being horrified about this kind of legislation being introduced? Shock troops; inspectors. Who will these people be? How qualified will they be? It has to strike terror into the hearts of these small business people–many of them are small business people–faced with the possibility of overzealous political appointees making unreasonable demands.

There are shades of Orwell. Mr. Orwell foresaw this socialist alliance in Ontario. It is nothing short of regimentation of the profession and Big Brother overseeing every move.

I mentioned some of the individuals in my riding expressing concern. I will deal with a few of those briefly, especially since many other members have mentioned the concern related to those pharmacists in small communities such as Westport with a little more than 700 people, Elgin and Gananoque with approximately 5,000 in population.

They are essentially concerned that this legislation is going to see the end of many small pharmacies throughout this province. Perhaps the most pertinent one of all these is Watson's Village Pharmacy in Westport, which indicates:

"1. Mr. Elston, the Minister of Health, does not talk or listen to the pharmacists' association. He acts unilaterally and calls the media in when he has something to say.

"2. The wholesale cost of drugs as quoted to ODB should be realistic, but so should the fee. Remember, the fee is in lieu of any other profit or markup and has been stuck at $5 since 1983.

"3. The thing that can kill a lot of pharmacies is the lifting of the fee per month on maintenance drugs. Mr. Elston's bill would require a pharmacist to dispense the whole prescribed quantity of the medication on one fee.

"A quick look at the cost of many drugs will show you that a pharmacist could be required to dispense drugs costing him $100 to $200 or more with a markup or fee of only $5. One does not have to be an accountant to see that a retail pharmacy cannot stay in business with that situation. Many of us won't."

Briefly, this is from Ben Thompson of Family Prescription Service in Brockville, again to the minister:

"Your actions will cause 20 per cent to 25 per cent of the pharmacies in the province to close or go bankrupt. This will temporarily solve some of the 700 to 800 vacancies in the province. Meanwhile, I am forced to continue working 50 to 60 hours per week managing my store, which grosses $1 million. I am wondering if the bank will renew my credit after my next statement."

This is another letter from Mr. Thompson, again to the Minister of Health: "Tut, tut! Your creeping socialistic hemline is revealing a set of NDP underwear." We could have told him that. He mentions some specific criticisms in respect to the legislation and concludes:

"The arbitrary actions of your ministry have already cost me a five per cent reduction in respect to the gross margin of my dispensary operation. If your ministry persists in these...tactics, you will eventually have few pharmacists to deal with."

I have a letter from Bruce Leslie of Curry Drugs Ltd. in Brockville mentioning the comparison that the minister has made in some public statements between Ontario and Saskatchewan. He says:

"In attempting to make that comparison, Mr. Minister, you failed to let the public know that only one company's product is listed in the Saskatchewan formulary and that the only way they are listed is by having the lowest cost. Is it much wonder, then, that companies are forced to recover losses by making up for losses on such bids?

"It is also interesting to note that in your comparison of Ontario and Saskatchewan you failed to mention the difference in dispensing fees between the two. Pharmacy carrying charges are also extremely high. We estimate that at any given time the government owes us $25,000 to $30,000. This is like an interest-free loan from us to the government. We must pay for most drugs within 30 days, and quite often within one week. For special claim items it is not unusual to wait two to three months for payment. With this sort of money outlay, is it any wonder we are upset about losing the little advantage we have with marginal price spreads?"

Another letter from Mr. Leslie states, "Since July 1, 1985, I have been unable to obtain several drugs at prices which I can use on the drug benefit plan." He goes into a list and indicates further, "With the government dictating so much now, I would find it extremely difficult to promote the profession to anyone considering pharmacy as a career."

Finally, I have a letter from Grenville Pharmacy in Prescott, which falls outside my riding; it is in the riding of Carleton-Grenville. It is from Hugh Gallaugher and indicates that the effects on the pharmacy profession will be in the neighbourhood of a $30-million loss, and for him personally approximately $25,000. He urges that in order to offset this we have to look at an equitable fee increase.

The minister indicated in his statement of November 7 that he was very optimistic a settlement would be arrived at. He said, "I am confident that a mutually acceptable agreement will soon be reached."

He said that in November, and I do not know what progress, if any, has occurred in the interim. I have to wonder why this kind of change in the drug benefit plan, the act that has been brought in and changes in this respect could not have been done in concert with fee increases instead of moving ahead in the arbitrary fashion that the government chose.

9:40 p.m.

That is all I wanted to put on the record this evening. This government has acted in a fashion that has offended the pharmacists of this province and many others in our society. By its actions in dealing through the media for the most part and in suggesting that the bulk of the people in this profession are unfeeling ripoff artists, the government has tarred all with its tactics and unsavoury methods. I would predict that the way the government is handling this group and many others in our society, those actions will come back to haunt it in the very near future.

The Deputy Speaker: The member for Eglinton.

Mr. Laughren: Can you not see me over the head of the Treasurer?

The Deputy Speaker: I am sorry, the member for Nickel Belt.

Perhaps the Treasurer (Mr. Nixon) and the member for Sudbury East (Mr. Martel) would carry on their conversation somewhere else.

Mr. Laughren: I think you are going to have to be more specific.

The Deputy Speaker: Order. The Treasurer and the member for Sudbury East, could you carry on your conversation somewhere else?

Mr. Laughren: Thank you for that much appreciated intervention on your part, Mr. Speaker.

While I support the present bill and the one to follow, I must give a nod to the Tories for their

courage in taking on whom they have decided to take on in opposing these bills.

They are taking on the consumers of Ontario. They are taking on the druggists of Ontario, who want a new formulary. They are taking on the Ontario Pharmacists' Association, which wants a new formulary. The courage they have shown in whom they have decided to stake out as their enemy is truly remarkable. It will be interesting to see how they vote. We will see whether their words match that.

I am surprised at the way the Conservatives have been fighting this bill, given the fact that everyone I talk to wants this bill to get out to committee as soon as possible. They are angry at the Conservatives for playing this game of filibustering the bill. The Ontario Pharmacists' Association does not want it left in here any longer. It is most anxious to get it out where it can make its presentation to the all-party committee.

The druggists themselves are quite anxious to get it out. They know what has needed to be said has been said in this chamber. We know and they know there has been no adjustment for a year in the formulary to reflect increased prices, so the Conservatives are playing a very strange game and I guess that is why they have decided it is time they wound it up.

I would remind them, as well, it is not just the Ontario pmacists and druggists themselves who are anxious. The taxpayers are very anxious too, because they know what $1 million a week means and that is the extra cost to them every week that goes by without this bill becoming the law of Ontario. The Conservatives seem to be able to say in a very cavalier fashion, "What is $1 million a week?" It is something of which they need to be reminded before the taxpayers descend upon them with some anger.

I have not been happy with some of the tactics of the pharmacists and the Ontario Pharmacists' Association. I have seen the ad. The one that is before me now is entitled, "The Biggest Pill You Will Ever Have to Swallow is Being Prepared at Queen's Park." It goes on to point out several things. These are the five headlines in the ad.

First it says, "another dose of government intervention." It is true. It is government intervention. On the other hand, the pharmacists have been beneficiaries of government intervention as well, through the Ontario drug benefit program.

Second, "As of January 1, your personal pharmaceutical records are no longer a secret." What does that mean? Were they ever a secret from the system, with respect to making sure what is being prescribed and the records of druggists are proper?

Third, "The proposed legislation is no cure." Was the status quo a cure? If we are going to save the Ontario taxpayers $1 million a week, then there needs to be some kind of prescription that applies to the industry.

"Fourth, the government creates a future where pharmacists can no longer give you advice and personal service."

That is really putting it on a bit. How can one make a blanket statement that "the government creates a future where pharmacists can no longer give you advice and personal service." That is a blanket statement that means nothing. Of course, the pharmacist is going to be able to continue to give advice and personal service.

The day this bill becomes the law of the land, is the government saying that pharmacists can no longer give advice, that they no longer can give personal service because this bill becomes law? I warrant that the day after this becomes law not a pharmacist in Ontario would agree with that statement. They know that they fully intend to continue to give advice and personal service to their customers, and so they should. They will continue to do so gladly, and they will continue to do so in a very professional way, as they always have. The ads the Ontario Pharmacists' Association is putting out do not do it a service and do not do the pharmacists of this province a service either.

The final point in the ad is, "Do you want your health care delivery system to deliver less?" Who wants the health care delivery system to deliver less? This is not going to deliver less to the customers as they go into drug stores across the land.

Mr. McGuigan: Maybe less to the pharmacists.

Mr. Laughren: Perhaps a little less, but the pharmacists will not suffer as a result of these two bills.

I saw a petition in a drug store in my constituency that implied–

Mrs. Marland: I am worried about the patients.

Mr. Laughren: The patients?

Mrs. Marland: Yes.

Mr. Laughren: My patience is running thin, too. The petition I saw indicated that people who had a third party program–for example, the workers at Inco and Falconbridge in the Sudbury area have a drug plan through an insuring company. They were being told that if these bills

became law they would no longer be able to have their pharmacy bills paid for by the insuring company. I do not think there is anything in these bills to prevent that. I do not understand the kinds of statements that are being made. It is not doing the pharmacists themselves a favour when that is put in their ads.

By the way, I gather that those ads are costing the pharmacists $350,000. I am not sure why they are spending the hard-earned money of the pharmacists to fight a cause for which they have so little support, except apparently among the Conservatives. I am not even sure about that. We will see how the member for Mississauga South (Mrs. Marland) votes when the time comes.

Finally, I gather that the member for York West (Mr. Leluk) indicated he thought the pharmacists should be able to opt out of the Ontario drug benefit program. If he feels that strongly about the pharmacists opting out, I can hardly wait for his speech on the bill that will prevent opting out by physicians in the province.

Mr. McFadden: I welcome the opportunity to say a few words on this bill to the House tonight.

I wish to focus my remarks in relation to several key matters with regard to the impact this legislation will have.

I recognize that, over time, problems have developed with the Ontario drug benefit plan. Members of previous governments have recognized this as well. In fact, under our administration, a major attempt was made to deal with this problem by commissioning the Gordon report. The recommendations of the Gordon report provided the framework for negotiations between the Ontario Pharmacists' Association and the previous government regarding the Ontario drug benefit plan. These negotiations were well under way when the present government came to power.

9:50 p.m.

The manner in which the Liberal government has chosen to deal with the issue will result in many problems if the legislation is passed as it now stands. The Minister of Health has chosen to focus solely upon the cost of providing medication to the public. By doing so, he has ignored the fact that the role of the pharmacist as an adviser on medication will be diminished.

Furthermore, the minister appears to have ignored the effect this legislation will have on the small, independent pharmacies. Many such pharmacies will experience cutbacks in staff and several will be forced out of business.

In proposing this legislation, the Minister of Health has refused to negotiate with the pharmacists, pharmaceutical manufacturers or other concerned groups. This hardly speaks well for open government, about which we have heard so much in this House. The lack of openness displayed by this government in creating this legislation is reflected in the legislation by the very lack of accountability envisaged by the provisions in the bill.

For example, the Ontario Drug Benefit Act states that neither the doctor nor the pharmacist will be held liable by the consumer for any problems arising out of the dispensing of generic drugs that must be listed. Studies have indicated that most adverse drug reactions occur with generic products, which begs the question of who is going to answer to the people who experience adverse reactions? In essence, the proposed legislation forces consumers to use a particular product, but if a person has an adverse reaction to that product, who is going to redress that person's grievance?

Hon. Mr. Scott: The member organized two conventions that had adverse reactions.

Mr. McFadden: The last one is going to be just great. The Attorney General will see the reaction it is going to get right in the province. This bill is the beginning of it. It was a gift to our new leader.

Another problem with Bill 54, as I see it, is that it reduces the dispensing of prescribed medications to the issue of cost and cost alone. Therapeutic value is allowed no place in the decision to prescribe a drug, and the professional knowledge of doctors and pharmacists is ignored.

This fact could have very serious ramifications. Take the case of a senior citizen. For drugs which have generic equivalents only the lowest-price drug will be covered by the legislation. A senior citizen on long-term medication will have to take the drug the government tells him or her to take. It does not matter if that person wants to take a drug manufactured by another company or if the doctor or the pharmacist thinks the person should take another drug.

Furthermore, the drug listings will be revised on a regular basis and the lowest-price drug within a drug classification will undoubtedly change. Over the course of a year or several years, therefore, a senior citizen could have his medication exchanged several times, not by his doctor but by a civil servant.

In my opening remarks, I referred to the harmful effects this legislation will have on small pharmacies. I would like to elaborate on that point. I believe the corner pharmacy will be most

seriously disadvantaged by this legislation as it now stands. It is the local pharmacist who may be forced to stand by and watch a long-standing community business collapse as a result of the actions of this open, consultative government. It is the local pharmacist who must be allowed to make his or her views known to the Minister of Health before this legislation is enacted, but who to this point has been denied that opportunity.

There are over 1,000 independent pharmacies in Ontario. The average pharmacist is a small businessman who provides jobs in the community. Most people, including perhaps the Minister of Health, although I hope not, do not fully appreciate the training and work that goes into becoming a pharmacist. Most people see only a man or a woman in a white coat pouring pills from a large bottle into a smaller one.

However, to become a pharmacist a person requires some four years in pharmacy college, and once that person has graduated, his or her principal role is that of a provider of information to the consumer. That pharmacist must keep a record of every prescription issued and make sure the customer is not getting drugs that will react negatively with each other or with other substances.

In respect to day-to-day operation, the average pharmacy dispenses between 75 and 100 prescriptions. In an average day, a pharmacy has to call from 30 to 40 doctors, and many of these require second calls before a new prescription may be filled or a previous one repeated. As well, an average day for a pharmacist includes 25 calls from customers seeking advice about medication. As members can see, much of a pharmacist's day is devoted to doctors' and patients' concerns. The new legislation, as proposed, will require the pharmacist to spend more time on paperwork. The result will be that the time available for necessary consultation and discussion will be diminished.

The Minister of Health boasts that the new legislation could save about $17.9 million. That remains to be seen. Whatever the savings might be, they will come from the operating costs of small pharmacies. Large pharmacies and chains are likely to be able to adjust to the reduced operating costs, but it is clear most small pharmacies will suffer. These corner pharmacies will experience severe cutbacks, employees will be laid off, and some pharmacies in neighbourhoods and small towns will go out of business.

The plight the corner pharmacist will face as a result of this legislation has been brought home to me by one of my constituents, Mr. Emmanuel Atlas. Mr. Atlas employs nine people full-time and one person part-time in his pharmacy. However, if the current legislation comes into force, he states he will be forced to lay off three full-time staff members and totally discontinue home delivery.

In a letter to me, Mr. Atlas summed up the situation in which he finds himself if the proposed legislation is passed. He writes: "After 21 years of owning my own pharmacy, I am being forced to consider closing, since I can no longer meet the needs of my clientele. They are accustomed to high-quality service and attention. I can no longer afford to give this kind of service with your proposed legislation. Canada, I believed, was a democratic country, but this legislation leads me to believe otherwise." It is signed by Emmanuel Atlas of Hashmall's Pharmacy on Eglinton Avenue West.

This case is typical of the effects the proposed legislation will have on small pharmacies. This is why small pharmacists deserve to be heard by the Minister of Health.

After reviewing all these factors, what is the net result of Bill 54 going to be? We can expect to see major injury to independent pharmacies and the closing of many neighbourhood drug stores. These and other potential effects of the bill now before this House lead me to conclude its provisions are ill-conceived.

I recognize the Minister of Health has attempted to deal with the problems highlighted in the Gordon report. The fact remains, however, that for a government which pledges openness and consultation, the process of correcting the problems of the system has been marked by a distinct lack of consultation with the interested and affected parties. The minister has apparently failed to recognize many of the ramifications of his proposals.

I urge him to reconsider a number of the provisions of the proposed legislation and to ensure Bill 54 is referred to a full committee hearing where the general public will have the opportunity to appear and make its views known.

10 p.m.

Hon. Mr. Elston: I will be brief in my comments because we have to get this bill out to committee and go through the various deputations that many of the people who are involved in this desire to make. That includes on my own part, as I indicated in the introduction of second reading, the amendments I have been able to see that are needed in this piece of legislation from input of groups such as the Ontario Pharmacists' Association, the Ontario College of Pharmacists

and drug manufacturers, both generic and originators.

A number of groups have been talking to me, and we have been talking and listening to them. We have been doing all the things those people who have been going on at some length have said we were not doing. It is essential that we get this piece of legislation to the committee. I ask some of my friends on the other side of the House who indicated I had no intention of sending it there, how was it I had hoped to have the amendments introduced in committee if it was not going there? It does not make sense.

In addition, I would like to make it very clear, as I stated emphatically on the introduction of second reading of this legislation, that the college has a role to play in the review and operation of this legislation. That takes care of a number of the concerns about the confidentiality, the question of cost of inspectors and other items that have been raised by some of the members who were not listening at the beginning of second reading, probably were not present in the House and probably did not have a grasp of what was taking place in the process.

I have been disappointed in some of the items that have been cited by members opposite with respect to this legislation, bearing in mind that there have been initiatives taken by other Ministers of Health before me, issues have been reviewed and steps decided to be taken that ultimately were cut off by certain processes about which I will not speak.

Those people who have interest in providing comments–the groups listed in my letter that was requested by members of the opposition and then used as an indicator of my intransigence–are going to be free to speak in committee. I am not placing any artificial cap on the time with respect to the hearings in committee. I have seen the need for advertising, and the committee will listen to the people who want to be heard.

I again emphasize that I spent a great deal of my time listening to people, reviewing what they said and developing amendments to the piece of legislation where I found the input to be convincing. I will be introducing some of those amendments for the review of those people in those committees. I am looking forward to hearing discussions in committee from those very people who want to take the time to provide us with other input, and to listening, along with committee members, to their efforts to improve the legislation.

I look forward to moving this piece of legislation to committee with its companion Bill 55, which I hope will follow this evening in very short order.

Motion agreed to.

Bill ordered for standing committee on social development.

PRESCRIPTION DRUG COST REGULATION ACT

Hon. Mr. Elston moved second reading of Bill 55, An Act to provide for the Protection of the Public in respect of the Cost of Certain Prescription Drugs.

Hon. Mr. Elston: I will be brief with respect to this legislation inasmuch as many of the members of this House not only have spoken at great length on Bill 54 but also have included in their remarks Bill 55. I hope we can proceed to dispatch this particular legislation to committee as well.

This bill provides a good number of consumer items that I think will be of genuine benefit to the people of the province inasmuch as consumers will know specific information about drugs, the cost of drugs, dispensing fees and others.

I have been very much taken with the support that has been shown to me through many organizations, including the seniors' groups in this province and the consumers' association of the province, and I have received many helpful suggestions from groups with whom I have met and corresponded to try to improve the bill as it goes into committee.

This piece of legislation is a companion to Bill 54, which we just saw passed in principle in this House on second reading. Let me say as well that we have every intention of moving forward with this piece of legislation quickly in the committee, as the members here already know.

With those few remarks, I will be pleased to hear some of the responses from the members opposite.

Mr. Andrewes: As the minister has pointed out, this piece of legislation is a companion to Bill 54. I assume my colleagues will enrich this debate to the same degree they did that on Bill 54. The same issues are pertinent in this debate, and I am confident my colleagues will have as many concerns with Bill 55 as they did with Bill 54.

The bill speaks to the protection of the public in respect of the cost of certain prescription drugs. It also speaks to the issue of interchangeability in prescriptions of what are known as generic drugs for prescribed drugs. Those interchangeable products, of course, will be listed in what has become popularly known as the formulary, and pharmacists in Ontario will be

required by legislation to tell the consumer the generic equivalent of the drug he is requesting or that is prescribed.

What happens in this situation in effect is that the client or the patron of the pharmacy makes a decision about whether he will allow that substitution. The criterion, instead of being the type of medication, its benefits or its adverse effects, will simply be the cost that the consumer will pay for the particular prescription. We will not have the pharmacist deciding on the quality of the substitution; we will not have the physician deciding on the quality of the substitution; we will have the patron or the client of the pharmacy making that decision.

We have some serious concerns about this piece of legislation, as we did about Bill 54. We see that the bill in some respects is flawed. One of our principal concerns is that in some instances where an individual is unable to go to the pharmacy to procure a prescription, he may send an intermediary: a friend, a relative, a husband, a wife, a son or a daughter. That family member or that friend–or, in some cases, that taxi driver–will make the decision whether the substitution should take place.

10:10 p.m.

The bill speaks about consumer protection. Our concern is that the consumer is not protected. The client of the pharmacy is not protected. For the individual who has procured the prescription, there is no recourse for any ill effect he might have as a result of using the substituted drug. The pharmacist and the physician are protected by the legislation, but the consumer is not.

We believe the legislation is flawed. It is designed to protect the consumer, but the consumer is not protected from the therapeutic ill effects he might have as a result of the substitution. The client or the patient of the pharmacy is not necessarily able to secure the lowest price. The bill specifies that the drug should be sold at its actual acquisition cost; that is, what it costs the pharmacist to put it in his stock. Professor Gordon recommended that the term "best available price" be used, rather than the question of actual acquisition cost. Other groups have talked about the best available price being the lowest possible cost.

We have a piece of legislation that may result in a higher price to the consumer, as smaller pharmacies must pay more. They do not have the same buying power as the larger chains. Small pharmacies, which are small businesses, as my colleagues have pointed out in this House on many occasions, are already in a tough position in competing with the larger chains. They do not have the same buying power the larger chains have had and will continue to have. Therefore, the fear that has been expressed on many occasions by letter, word of mouth and telegram in this House about store closings and lack of service in the smaller communities in this province is a very real concern, and it is set out quite clearly as a result of this legislation.

The legislation talks about a single maximum dispensing fee posted in the pharmacy. That is designed to benefit the consumer. To some degree, it is misleading. The pharmacy posting the lowest fee may not necessarily have the lowest drug costs. Therefore, the prescription cost may not necessarily be the lowest cost.

Finally, our most serious concern about this legislation is the issue of the 30-day supply versus the term used in the legislation, "dispense as written." We have a situation where large quantities of drugs now may be dispensed, not at the discretion of the pharmacist; he or she is "required to dispense" according to the prescription. We have senior citizens and other clients of pharmacies who now can acquire huge supplies–

Interjections.

Mr. Speaker: Order.

Mr. Andrewes: I get the impression that some of my colleagues are perhaps not as enchanted with this debate as I am. However, I will soldier on.

An hon. member: We are paying attention.

Mr. Andrewes: Should I start over again?

All of us can recite horror stories about the numbers of pills in the medicine cabinet. All of us have had occasion to visit senior citizens who have lost certain faculties. We have found the situation hundreds of times where prescriptions filled at a pharmacy and not fully utilized remain in the medicine chest in someone's home. This is wasteful. Medication may change in the course of the period of time for which it was dispensed. If it is not thrown out, it is stockpiled or accumulated. It is risky when medications are left lying around and it is confusing in situations where individuals may describe their symptoms to someone else. The other person may say: "Yes, that is what I had. Here is some medication I happen to have left over."

That is entirely unprofessional in a health care system which depends on the integrity of professionals. It depends on the integrity and the professional judgement of the pharmacist. In most cases, a pharmacist keeps a drug profile on individual clients in his community and can

consult that profile on a regular basis. He knows the health care program an individual is on and cares about the client or patient he is trying to serve.

There are a number of other issues. The minister alluded to the appointment of inspectors and to our concerns about the role of the Ontario College of Pharmacists. We have some concerns about the excessiveness of the penalties the legislation speaks to. I have raised these concerns because our party feels they are serious concerns. They are issues that will be dealt with in committee and we are anxious at this time to see them dealt with.

I want to say one final word about professionalism. Our role here is to serve the constituents within our ridings, to serve the 8.5 million to nine million people of this province, to do the right thing. Our approaches may differ but our goals are identical. They are common goals. If there is one thing the minister and I share as a common view, it is that something had to be changed with respect to the Ontario drug benefit plan. Improvements had to be made.

That is why my former colleague from Kingston and the Islands commissioned Dean Gordon to undertake a very extensive study to report on the Ontario drug benefit plan. That is why Dean Gordon, in a very conscientious way, brought forward the framework for continued consultation and for revision to that program. That is why, in my short term as Minister of Health, I gave the staff of that ministry instructions to continue that consultation and discussion with the Ontario Pharmacists' Association, using the wisdom of the Dean Gordon report as the guideline for that discussion.

Although the minister and I share that common goal, I do not think we share any measure of agreement on the method he has chosen to achieve it. Rather than continuing to negotiate with the Ontario Pharmacists' Association, the minister chose to air the problem in the media. He chose to create a public perception of the problem by using Ms. Silversides of the Globe and Mail to take the issue to the public, to use a public medium as his vehicle.

Then he dealt with the issue by slamming the lid down on the very practitioners he relies on to deliver the service and introducing a piece of draconian legislation. He is saying to the public that the issue is beyond negotiation, that there is no room left for discussion or for input. He is destroying the goodwill that might exist between the profession and his ministry and the government, and he is seriously affecting the relationships between pharmacists and their clients.

10:20 p.m.

I warn the minister he is dealing with people who are up to the challenge. In spite of his attempts to insult their professional ethics, they are professionals first and will not let a government unilaterally take action against them in any way that affects their professional ethics. They are concerned that the level of service to their clients, the advice they offer, be given on a continuing basis. By way of a piece of legislation, that function might be restricted. Having created a public expectation of a better system, the minister now, through legislation, has beaten a group of professionals around the ears–the very same professionals he expects to deliver a better system.

The bill is now going to committee, I trust, for revisions and public input. We are grateful for that.

Mr. Speaker: Before I recognize the member for Windsor-Riverside (Mr. D. S. Cooke), I have been listening and looking around the House. I note there have been three private conversations very close to the minister. Thank you very much.

Mr. D. S. Cooke: I will be brief. I find it difficult to believe that, after December and January, with the Tories ranting and raving against Bill 54, tonight we had a voice vote and I did not hear one of them say no. After costing the taxpayers about $6 million and holding up Bill 54, I did not hear the Tories say no. I do not know what the last month and a half has been all about, other than to say–

Interjections.

Mr. Speaker: Order.

Mr. D. S. Cooke: The Tories must be feeling very guilty tonight. They are verbalizing that, and rightfully so. They should feel guilty. The taxpayers have spent $6 million at the behest of the party that always claims to be the one that is economically responsible.

Mrs. Marland: If the member cannot hear, he should get his opted-out doctor to get him a hearing aid.

Mr. D. S. Cooke: The member for Mississauga South (Mrs. Marland) does not know anything about these bills. I have heard their interjections and 90 per cent of that party's members do not know anything about these bills.

Interjections.

Mr. D. S. Cooke: I listened to the member for Durham-York (Mr. Stevenson) this afternoon. I went to sleep.

Mr. Speaker: I am glad to see all these members here, but the member for Windsor-Riverside, I am sure, wants to speak on Bill 55.

Mr. D. S. Cooke: I want to finish my train of thought by saying how irresponsible the Tories have been in the last six or seven weeks. I am glad they finally got the message from groups such as the small pharmacists in our province who desperately wanted these bills to be passed so that we could have public hearings and deal with them in committee.

They have finally come to their senses and even listened to the Ontario Pharmacists' Association, which has said very clearly a new formulary needs to be published and that the irresponsible behaviour of the Tories has not assisted that organization or its membership. I look forward to the next few weeks of dealing with these bills in a responsible way and looking at the amendments that are necessary, both in Bill 54 and in some areas of Bill 55.

I want to mention a couple of areas in Bill 55 that I think the committee should examine.

First, I want to be convinced by the Ministry of Health that if we are to pass Bill 55 as it appears in the Orders and Notices now, sections of the bill that are there to protect consumers and that allow for the interchange of generic drugs will not put any individual's health at risk. I have had some evidence and have heard some people express concerns that not everyone can allow his drugs to be interchanged with generic drugs and that some of the fillers that are used in some drugs may harm some consumers. I want to be convinced by the ministry that this is not going to put the health of any of our people at risk.

I suggest it is worth debating in committee, where we deal with these bills in clause-by-clause, not here, where we hear the garbage we have heard from that caucus for the last six weeks.

I commend the minister for his intention in this bill to try to protect consumers. I do feel there are some areas, such as those I have mentioned with respect to the interchange of generic drugs, in which there may not have been a lot of thought put into the possible health implications.

I suggest also that if the pharmacists who are charging cash-paying customers are going to be allowed to set their dispensing fees at whatever the level may be, whatever the traffic will bear, we might examine an amendment to say that if the dispensing fees are going to be lower than those set under the Ontario drug benefit plan, no one will pay higher, even under the Ontario drug benefit plan, than what is being charged by the pharmacists who are charging cash-paying customers. That will guarantee that the Ontario drug benefit plan is not subsidizing the cash-paying customers through higher drug dispensing fees.

Mr. Turner: Is the member going to adjourn the debate?

Mr. D. S. Cooke: I know. I have three minutes and I will not take the entire three minutes.

During the next reasonable period of time—and the committee will determine how long the hearings will go on—I expect we will have many amendments to both Bill 54 and Bill 55. When we finish with these two bills, I am convinced we will come out with bills that will protect the consumers and that we will also have in place a better Ontario drug benefit plan than we have had before.

Hon. Mr. Elston: For one more time I will make the point in answer to the former Minister of Health, the member for Lincoln (Mr. Andrewes). We have had public input in the sense that the minister and his staff and the members of the ministry have talked at length—not just starting in September, when there was a series of articles, but much before then; in July, soon after I came into this portfolio—about the issues and the problems and found that we had to generate a response.

This response is not the first time a response has been generated. Another Health minister might very well tell us the specifics of his interests and his attempts to do some of the things that are contemplated in this legislation. He might also advise us of the manner in which he was unable to perform and undertake the initiatives he decided he should take. Perhaps he did not negotiate as successfully as he ought to have done. In fact, he did not come up with a product that would have cleared up this problem several years ago. He knows that; I know that. Perhaps a good number of people will come to committee who might like to share with us something of the nature of those negotiations.

I want to repeat again that we have had input, we have talked and we have listened. We have made decisions and we have brought a piece of legislation to this House that I am prepared to amend and on which I will share amendments that have already been brought to my attention that I think will be helpful.

I want to go to committee now and fulfil my commitment to provide the public of this province with better drug legislation and more reasonable opportunities to manage effectively, and to provide the consumers of this province

with information they need to be effective consumers, wise consumers and healthier consumers.

Motion agreed to.

Bill ordered for standing committee on social development.

The House adjourned at 10:30 p.m.

CONTENTS

Monday, January 13, 1986

Second readings

Ontario Drug Benefit Act, Bill 54, Mr. Elston, Mr. McLean, Mr. Partington, Mr. Barlow, Mr. Runciman, Mr. Laughren, Mr. McFadden, agreed to 3025

Prescription Drug Cost Regulation Act, Bill 55, Mr. Elston, Mr. Andrewes, Mr. D. S. Cooke, agreed to 3042

Other business

Adjournment 3046

SPEAKERS IN THIS ISSUE

Andrewes, P. W. (Lincoln PC)
Barlow, W. W. (Cambridge PC)
Breaugh, M. J. (Oshawa NDP)
Elston, Hon. M. J., Minister of Health (Huron-Bruce L)
Laughren, F. (Nickel Belt NDP)
Marland, M. (Mississauga South PC)
McFadden, D. J. (Eglinton PC)
McGuigan, J. F. (Kent-Elgin L)
McLean, A. K. (Simcoe East PC)
Partington, P. (Brock PC)
Runciman, R. W. (Leeds PC)
Scott, Hon. I. G., Attorney General (St. David L)
Sterling, N. W. (Carleton-Grenville PC)
Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)
Turner, J. M. (Peterborough PC)
Villeneuve, N. (Stormont, Dundas and Glengarry PC)

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CONTENTS

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, January 14, 1986

The House met at 2 p.m.

Prayers.

Mr. Rae: Mr. Speaker, on a point of order: I have in my hot little hands a news release from the Minister of Consumer and Commercial Relations (Mr. Kwinter) and a statement by him. Is this being made during ministerial statements today or is it being made in the debate?

Hon. Mr. Kwinter: It is on second reading of the bill, and that statement will be part of it.

Mr. Grossman: It came, appropriately, in a brown envelope.

ORAL QUESTIONS

INSURANCE RATES

Mr. Grossman: I have a question for the Minister of Consumer and Commercial Relations, as it happens. He said in the House last Thursday, "if a hospital is experiencing a true financial hardship as a result of its insurance premiums, we will take a look at that and provide whatever assistance is required."

Can the minister indicate whether he is prepared today to commit that assistance to the Dixon Hall community centre, which, as reported in today's Toronto Star, has been hit with a 300 per cent increase in liability insurance and has consequently had to begin to lay off staff and stop providing services to seniors? Is the minister now prepared to undertake unequivocally to provide that assistance?

Hon. Mr. Kwinter: Our market assist program, which has been operating since I announced it last Thursday, has been dealing with very many incidents, one of which, the member will recall, was that of the Wellington County Board of Education. We said it would get its problems resolved and it has.

I suggest to the Leader of the Opposition (Mr. Grossman) that this community centre contact our market assist program. If we cannot resolve its problem and if it does have a financial hardship, we will help it.

Mr. Grossman: This case was reported in the Toronto Star today, and as of 12:45 no one from his ministry and no one from the government had bothered to call the centre to offer the assistance of the ministry.

Further, with regard to the telephone assistance that he is suggesting will solve problems, we took the liberty today of testing the system. We called his insurance industry number to inquire about automobile insurance that had increased from $700 to $2,400. I want to report to the minister what the officer at his ministry indicated on his emergency line.

Mr. Speaker: By way of a question, I hope.

Mr. Grossman: The officer said a task force is going to have a quick report prepared by the end of the month. She said the general insurance market had gone "out of sight" and that there was "no magic solution." She indicated, however, in a helpful way to the caller that the caller had "a legitimate complaint;" however, there is "a panic situation out there."

Mr. Speaker: Question, please.

Mr. Grossman: This is all the advice and help his magic hotline gave to a concerned caller about an insurance premium. What assistance is that hotline or this ministry prepared to give since this is what has happened?

Hon. Mr. Kwinter: I cannot reply to that specific instance, but I can tell the honourable member, in reply to an earlier statement, that my people have been in touch with Dixon Hall and were in conversation with them this morning. We have advised them that if they cannot get insurance–and we are working on it with them–they will get help from the Ministry of Community and Social Services. We have assured them that no day care program will go unfunded or will have to close as a result of the insurance problem.

Mr. Rae: One of the features of the freeze in social service funding in the last 10 or 11 years has been that several centres, such as Dixon Hall and the WoodGreen Community Centre, both of which are mentioned in the Star article, have had their funding for elderly persons' centres frozen at the $15,000 level for at least a decade.

Can the minister give us a categorical assurance that the service that is being cancelled by Dixon Hall because of the increase in insurance rates will continue to be provided and that the

government of Ontario is going to ensure that no van transporting disabled people or elderly people is going to be put out of business because of blackmail from the insurance companies? Does he have the courage to stand up to the companies that provide the benefits? That is the question here.

Hon. Mr. Kwinter: I can assure the honourable member that no services will be curtailed at those institutions because of the insurance problem. We will fund any difference as required.

Mr. Speaker: Final supplementary, the Leader of the Opposition.

Mr. McClellan: Put some life into it.

Mr. Rae: Give it a little zip.

Mr. Speaker: Order.

Mr. Grossman: Was it because of the introduction, or perhaps the breakfast the member for Bellwoods (Mr. McClellan) had last week? I would rather not have breakfast with him, thanks.

Mr. Breaugh: The feeling is mutual. That is why the member is where he is.

Mr. Grossman: I would rather be here with my caucus than over there with the third party.

Mr. Speaker: Order.

Mr. Grossman: But not for much longer.

The minister's hotline is clearly saying to callers there is a panic situation out there, there is no magic solution and they are waiting for a "quick report of the task force." No one has contacted the executive director of Dixon Hall and the hotline is not giving any answers whatsoever.

Will the minister now undertake that his alleged solution through the hotline will begin to find coverage and to say to callers that if their services are about to close down and they are social agencies, the government will without exception step in and pay the premium for them?

Hon. Mr. Kwinter: The information I have is at variance with the information the Leader of the Opposition has. I have a list of various calls that have been made to that hotline stating what their problems were and what the solutions were. In many cases we have been able to help these people. If people contact my ministry, we will help them with their problems and in cases where government funding is normally provided to agencies, if they cannot get insurance, we will help them financially.

Mr. Grossman: I understand that the Minister of Health (Mr. Elston) will be here later. Is that correct? Perhaps we could stand down this question till he gets here.

Mr. Speaker: Does the House agree to stand down the question?

Agreed to.

2:10 p.m.

PENSION FUNDS

Mr. Rae: I have a question for the Minister of Consumer and Commercial Relations. Perhaps he will comment on the fact that an Inco retiree, Ouila Letendre, who retired in 1972, has seen the value of his pension cut by 51 per cent by the ravages of inflation, and in 1984-85 Inco was allowed by the Ministry of Consumer and Commercial Relations and the Pension Commission of Ontario to withdraw $105 million from the pension plan. As a result, the company is pleading poverty with respect to improvements in pensions generally.

Will the minister comment on the unfairness of a situation where a company takes out $105 million at the same time as it leaves its retirees out in the cold? Will he comment on his failure to do anything about the indexing of private pensions in Ontario?

Hon. Mr. Kwinter: Under the present legislation, there is nothing illegal or improper about a company taking money out of its pension plan under certain conditions. We are going to bring in pension reform to address that. We are going to do it in conjunction with other jurisdictions in this country. When we do it, we will be address that problem.

Mr. Rae: The minister says there is nothing improper. I cannot imagine a minister making a more unfortunate statement in this Legislature. When it comes to what is happening with the pension funds that belong to the workers of this province, he says there is nothing improper when companies take out millions of dollars. The Conrad Blacks and the Incos skim off the pension funds and the minister sits there saying there is nothing improper about it. I think there is something improper about it, and I think public opinion in this province thinks there is something improper about people being–

Mr. Speaker: Is that your supplementary?

Mr. Rae: –forced to live on $400 or $500 a month, with nothing being done about indexing. How does the minister justify this province failing to take a leadership role when it comes to indexing at the same time as we allow companies to skim off the moneys that belong to the workers of this province?

Hon. Mr. Kwinter: When the leader of the third party said that I said there was nothing improper, he referred to only part of the sentence. I said that under the present legislation there is nothing illegal or improper about doing it, as long as it is done under prescribed conditions. Under our pension reform, we are looking at that and we will address it.

Mr. Grossman: Given the obvious ability of many companies, such as those the leader of the third party referred to, to have a large earned surplus in their pension funds, can the minister share with the House his concern about inflation protection?

Hon. Mr. Kwinter: I am concerned about inflation protection, but there are other problems as well. Without a surplus, the fund's ability to do certain things such as enhance pensions and things of that kind is inhibited. The members of the Conservative Party have been sitting on this thing for 42 years and, suddenly, they have religion.

Mr. Rae: In June 1984, a senior adviser on pension reform to the former Ontario Treasurer, the member for St. Andrew-St. Patrick (Mr. Grossman), was quoted in the Toronto Star as saying: "Inflation protection per se does not involve extraordinary costs. Pension plans already profit from increases in the inflation rate, which boost the returns on investments made by pension funds."

How can the minister justify a situation where in Ontario today the only people who benefit from inflation are the pension funds and not the workers of this province who have invested in those funds? How can the minister sit still and tolerate that situation in Ontario?

Hon. Mr. Kwinter: I welcome the comments of the leader of the third party and we will be addressing them in our pension reform legislation.

DRUG SUBSTITUTES

Mr. Grossman: Has the Minister of Health been made aware of any suspected or reported cases of illness or harmful side-effects arising out of the use of generic drugs as a substitute for brand-name drugs? We raised one of these issues yesterday. Can he tell us whether he has been made aware of any suspected or reported cases of illness or harmful side-effects?

Hon. Mr. Elston: There have been indications in some of the meetings, particularly on the part of originator companies, that they are concerned about interchangeability.

As the member knows, it has been a matter of ongoing discussion between the originators and the generics–generics being the manufacturers of the interchangeable product. That is why we have our committee available to review the items.

In particular, with respect to the issue the member raised yesterday, I want him to understand, because I am afraid he was not in the House when I brought back information, that the Drug Quality and Therapeutics Committee is receiving extra information on that. In fact, the federal people have given apo-ibuprofen a listing as interchangeable. There will be meetings held federally to determine whether or not the extra information requested of Apotex Inc. will result in any further action being taken.

That being the case, I have had indications from a couple of pharmacists that they are concerned about the coatings, and in the ibuprofen case it is the coating more than the active ingredients which the committee is going to be provided with some information to make a ruling on. But there have been some indications through the originators that they have some concerns about interchangeability.

Mr. Grossman: With respect, far more than simply the brand-name pharmaceutical drug manufacturers are concerned about the problem. A more objective observer, perhaps, would be the Ontario Medical Association.

I draw to the minister's attention that on December 2, 1985, the OMA communicated with him its concern about the acceptability of substitution in a broad range of drugs. I quote to the minister: "There is evidence to show that different formulations of a number of drugs," and it goes on to list a number, including digoxin and cimetidine, "have resulted in either decreased efficacy or increased toxic effects."

The OMA went on to say it had provided the ministry with "copies of reports received by its committee of perceived clinical inequivalency of drug products listed as 'interchangeable' in the drug benefit comparative drug index."

Mr. Speaker: Question, please.

Mr. Grossman: The OMA has raised, therefore, serious concerns with the minister after its analysis of some of the interchangeability. It informed the minister of that on December 2.

Mr. Speaker: Question, please.

Mr. Grossman: Can the minister tell us why he has not taken any steps whatsoever to respond to the OMA or to remove from the shelves some

drugs which may be dangerous to the citizens of this province?

Hon. Mr. Elston: The honourable gentleman will understand that the studies provided by the OMA are very subjective in nature. One of our goals is to provide an objective review and analysis of the reports that are made available to us.

There are indications on the part of some of the originators of these products that they have concerns as well. The issue of interchangeability is being thought out among generics and the brand-name people almost constantly. They are being reviewed at the federal level. They are again being reviewed by the committee which has been established in this province to handle those items.

We have a number of physicians who would disagree with that. I made a point of asking about the question of interchangeability. Some people have sworn to the efficacy of the drugs. Some people may have some indications that they think or they feel, or subjectively they have some indication of results perceived, as the member said, clinical problems. As a result, we are letting the professional group, the committee, do its work. We are also taking the advice of the federal people. As I said, with respect to the drug the member mentioned yesterday–suggesting in error that it had been taken off the market by the federal people–there will be meetings held very shortly.

2:20 p.m.

Mr. D. S. Cooke: Since, under the minister's proposed legislation, the onus for requesting an interchangeable drug lies with the customer under one of the proposals, and since there is concern out there about substitutions and whether or not the equivalency is there, which has been expressed by the Ontario Pharmacists' Association, by seniors' groups, as well as by doctors, and in view of the fact that his legislation says the regulations will determine which drugs are interchangeable, and there is no mechanism for determining who will make that decision other than the ministry itself, is the minister going to be proposing any change when we get the bill out to public hearings for clause-by-clause debate?

Hon. Mr. Elston: On the question of interchangeability, let me say that I have spoken to a good number of pharmacists with respect to the manner in which they perceive the interchangeable drugs working. Differences of opinion are being expressed by a number of pharmacists. I have just recently met with three pharmacists. Two of them regularly interchange; one does not. This difference is based on the perceived results of analysis with their patients.

The mechanism for determining interchangeability will probably not be much different from what is there now. In fact, we will be using the advice of the Drug Quality and Therapeutics Committee, which is composed of a number of experts in pharmacology. We accept the advice of those people in conjunction with the studies that are done on a weekly basis at the federal level. Once a licence is provided federally, we must then go along with the analysis done by that committee and with the suggestions it makes.

Mr. Grossman: We are not talking about a subjective report sent to the minister by one of the drug companies. We are talking about a program set up with the support of the federal government. It is the OMA's committee on drugs and pharma–

Miss Stephenson: Pharmacotherapy.

Mr. Grossman: Yes, whatever.

Mr. Breaugh: Now we see why the member is not Premier.

Mr. Grossman: Oh, yes. It oversees the adverse drug reaction reporting program in this province, a very important program. This group of objective practitioners–not drug companies and not pharmacists but an independent group of medical doctors–is reporting to the minister, not to overstate it, that millions of pills taken every day in this province, by senior citizens in particular, may have dangerous side effects and may not be adequate substitutes.

The minister is playing a dangerous game with the health care of senior citizens and with pills. When it came to wines, they were off the shelf in 24 hours. Now he is studying the circumstances.

Mr. Speaker: Order. Question, please.

Mr. Grossman: My question to the minister is very simple: Why will he not say, consistent with this government's reaction to the wine situation, that in order to protect seniors, he will exercise the authority he admitted yesterday he had, to take some of those drugs off the shelf until he has determined they are perfectly substitutable?

Hon. Mr. Elston: The honourable gentleman knows full well, and of course his colleague the member for York Mills (Miss Stephenson) will understand full well, that there may be differences of opinion with respect to the efficacy of prescription drugs.

Suggestions have been made with our federal authorities. The federal authorities have determined that in those situations there is therapeutic equivalency. If they provide for us information

that it is along that line and if I get the review from the Drug Quality and Therapeutics Committee, then I will take the necessary action.

However, in the light of the fact that with respect to the drug this honourable member spoke about yesterday, he was totally wrong, I will have to assess what he has told me now, because my suspicion was vindicated when he was wrong yesterday. He is probably wrong in what he is telling me today. However, I will report back to the House.

Mr. Grossman: It is incredible. If it is wine, it comes off in a day.

Mr. Stevenson: Kwinter for Health minister. We need somebody who really cares for Health minister.

Mr. Speaker: Order.

Mr. Rowe: Come on down, Monte, let's make a deal.

Mr. Gillies: Wine is important, pills do not matter.

Mr. Speaker: Order. The members are wasting time, and other members want to ask questions.

New question, the leader of the–the member for York South.

Mr. Rae: Thank you very much. Whatever, Mr. Speaker.

Mr. Davis: Do not make mistakes in the opposition.

Mr. Rae: The Conservatives have caught an issue that matches garter springs for technical incomprehensibility, and I want to congratulate them for that. They are doing well for the drug companies.

SPRAY PROGRAM

Mr. Rae: My question is to the Minister of Natural Resources. I know the minister is going to be in Thunder Bay on Thursday, and it is my understanding that his ministry is going to announce a forest protection policy on that day.

Can the minister give us his categorical assurance today that no chemical spraying will be authorized by the government with respect to a program this spring, summer and fall? Can he give us that categorical assurance today that, just as chemical spraying is not taking place in Quebec, neither will it take place in Ontario?

Hon. Mr. Kerrio: I cannot give a categorical answer to the member as it relates to the sprays being used.

Mr. Davis: In the fullness of time.

Hon. Mr. Kerrio: No, that is not the way it is going to be. The member knows full well that Sevin is the spray that will be used in the greatest quantity. The window when we can project for the sprays to do a proper job of protecting the forests of this province is somewhat restricted with those kinds of sprays that can be ingested.

The threat out there is of such a magnitude that we will be asking for some latitude as it relates to some of the sprays that will not have an undue effect on the environment in particular areas. We will be doing it in a very responsible way. We are going to have to know in the future what sprays have what effect. The balance is going to be tremendously on the side of those acceptable sprays and the chemicals will be used in very small percentages.

Mr. Rae: That is an incredible statement. The minister is admitting today that he is going to be spraying chemicals that have never been assessed environmentally and whose effect on humans is frankly not known. That is what the minister is announcing today and its implications are quite frightening.

Mr. Speaker: Put your supplementary.

Mr. Rae: I ask the minister why the government is proceeding with a spraying program without a comprehensive environmental assessment being done? Can he give the categorical assurance that the government of Quebec could not give, that none of the sprays being used could possibly have a harmful effect on humans?

Hon. Mr. Kerrio: I did not say that we were going to be spraying indiscriminately in any way, shape or form. I suggested that the largest percentage will be done with acceptable sprays. However, there should be some experimenting done in a very minimal way, where it is going to be acceptable, so we are going to know how those sprays are going to impact. Without doing it, we cannot tell. What the member has described as chemicals that are going to be sprayed indiscriminately is no percentage of the sprays that are going to be used of any consequence.

Mr. Pope: Is the minister going to use 2,4,5-T, bacillus thuringiensis or 2,4-D in spray programs this summer?

Hon. Mr. Kerrio: The largest percentage of sprays that are going to be used, and I am talking in the 70 per cent to 80 per cent range, are going to be biological sprays. The chemical sprays are going to be used in a very minimal way, just to be able to examine the extent to which they are going to be helpful in the future. We could avoid

spraying at all, but there are many people out there who are going to be deprived of very important jobs throughout northern Ontario. We are going to do it with biological sprays to the greatest extent. The very small proportion of chemicals that would be used would be experimental in the sense that it would let us know how those other chemicals' impact on the environment.

Mr. Rae: The minister is using the north as a guinea-pig.

Mr. Speaker: Order.

Mr. Laughren: It seems job protection has become the last refuge of the scoundrel. In view of the fact that spraying with Bt was very successful last year, particularly in the area I represent–there were no problems with it at all–and that 30 per cent chemical spraying, which is what the minister just implied, is hardly minimal given the potential danger for the chemicals to be used, could I have the assurance of the minister today that before any spraying program is approved, the companies will be required to engage in accelerated logging before the fact and salvage logging after the fact in order to have a spraying program approved?

Hon. Mr. Kerrio: Certainly, and I want to make it clear that we are not exchanging jobs for chemical spraying. That is going beyond a fair assessment of the circumstances. We are going to use biological sprays to the greatest extent. That is why this government is having those open-house forums that will allow people, particularly in northern Ontario, to come before that open forum. We shall not jeopardize the environment by using chemical sprays to the extent there will be any impact. I promise that. I am working very closely with the ministry and the Minister of the Environment to see that does not happen.

2:30 p.m.

EXTRA BILLING

Mr. Pope: I have a question for the Minister of Health. We are proceeding this week with Bill 94 and, in the minister's statement on December 19, he linked fee negotiations to that bill. Is he now negotiating or does he plan to renegotiate a new fee schedule, or an increase in certain fee items in the Ontario health insurance plan schedule with the Ontario Medical Association, before the end of legislative consideration of Bill 94?

Hon. Mr. Elston: I do not think what the member says is correct, in the sense he says I established that as a prerequisite to the bill and indicted fee negotiation was part of it. I indicated I had an open mind with respect to developing the structure and, of course, the bill contemplates an openness in determining how the fee bargaining structure could be set in motion.

I have also indicated a willingness to discover and determine whether there are ways of rewarding certain people who have world-class or special qualities which should receive recognition as a result of the consultations which occur. It was indicated to me that was a deficiency in our current schedule. I am willing to receive input with respect to those items and the mechanism under which we are negotiating or determining the fees to be paid. Certainly that is open and I would be pleased to receive any suggestions which may be available, either through the association or individuals.

Mr. Pope: Now that we have heard from the minister that he does not plan to ease the confrontation between himself and the Ontario Medical Association by renegotiating fee items during the course of debate on Bill 94 and is not prepared to negotiate during its passage, which is what he just said–which is why Bill 94 has that mechanism in it, because he is not prepared to negotiate now–can he tell this House what he plans to do with the funds that are being withheld by the federal government? Are they going to be rolled into the fee increases to be negotiated with the OMA after the legislation is passed?

Hon. Mr. Elston: The member has totally put his own peculiar twist to what was said. I indicated I am willing to listen to and discuss items with members of the medical profession. Whether they be individual professionals or groups, I am willing to talk to those people. I have not indicated in this House nor anywhere else that I am unwilling to listen nor, if there is a suggestion about how to ease the perceived difficulties, am I unwilling to meet with those people.

I am willing to receive any helpful suggestions and I will consider those helpful suggestions. To be honest, I do not think the member is being responsible when he suggests I have been unwilling to ease those tensions. I am open to receiving those indications with respect to the actual dollars. I have no indication of where or when that money will be transferred, but we are willing to undertake opportunities to discuss mechanisms to determine remuneration.

Mr. Rae: With respect to the opting-out action which has been announced and taken in Timmins, I wonder if the minister can give us the categorical assurance that no patient will be

stiffed for a bill by a doctor and expected to pay prior to receiving reimbursement from OHIP.

Hon. Mr. Elston: Patients who attend at physicians' offices currently make their own arrangements for payment if there is direct billing. I cannot give the member that categorical undertaking at this time. I do not know how the mechanisms are going to be established in those offices nor what arrangements are to be made for the voluntary dollar donations to the hospital.

MINE SITE

Mr. Laughren: My question is to the Minister of Natural Resources, concerning a very serious environmental problem surrounding the Kam-Kotia Mines site near Timmins, with which he may be familiar. Is he aware that since that mine site was abandoned in 1972 there has been a steady runoff of very dangerous contaminants into the Kamiskotia River and Little Kamiskotia River in that area?

Since the property now belongs to the crown and is his responsibility, would the minister tell us if he has been briefed on this problem and what he intends to do about it?

Hon. Mr. Kerrio: No, I have not been briefed on that issue but I will take it as notice and get back to the member.

Mr. Laughren: I wonder if the minister will now start to take seriously my admonitions to him about his officials giving him adequate information in order for him to run his ministry in a proper way.

Is he not aware that the Ministry of the Environment people are telling us the problem is getting worse? For example, if a penny is put into the water running out of there, it dissolves. Since the minister is going to Timmins tomorrow, does he not find it absolutely incredible that his officials have not briefed him about this problem?

Since the proposal is in his ministry's hands now, it is incredible that he would not know about it. Would he now get that proposal out of the hands of his officials who do not want to do anything about it and send it over to the Minister of the Environment (Mr. Bradley) so something can be done?

Hon. Mr. Kerrio: I would like to tell that honourable member that I am not going to beat up on the staff of my ministry. If he is suggesting there is some motive for what they are doing, I do not accept that at all.

Most things that happen in this government are the duties and the determinations of the minister of the day. This minister is going to examine the projects. If the member thinks he will make me feel bad by standing up and suggesting I do not know about this, he has another think coming. I am doing a good job over here. I am going to clean up the environment and I am going to do what should have been done in this ministry many years ago.

Interjections.

Mr. Speaker: Order. The member for Cochrane South (Mr. Pope) has a nice short supplementary.

Mr. Pope: The minister knows that the Premier (Mr. Peterson) needs some announcements for Timmins. He knows the scene that is going to confront the Premier when he gets there tonight. He knows, or he should know, that all the studies for all the options were completed in June of last year. He knows, or he should know, that one of the options has been recommended by his staff to him.

He also knows, or he should know, that the Ministry of the Environment has also been involved in this issue. When is he going to get together with the Minister of the Environment and give the Premier some good news to announce in Timmins?

Hon. Mr. Kerrio: If the member would care to put the questions to the leader, he can do that.

Mr. Davis: Give guidance to the leader?

Hon. Mr. Kerrio: No, do not get too excited over there.

I will share with members the fact that they could expect, and reasonably so, that after one minister leaves a veil drops down and we cannot reach beyond that. Many of the things that should have been done were not done and we are in that process right now. I will also share this with them–

Interjections.

Mr. Speaker: Order.

Hon. Mr. Kerrio: –if they would like to hear it, that the staff is pretty pleased that things are now being done that should be done.

Interjections.

Mr. Speaker: I am waiting. The member for Leeds (Mr. Runciman) wants to ask a question. Are the members finished chatting back and forth?

HEALTH APPOINTMENTS

Mr. Runciman: I have a question for the Minister of Health. Yesterday my colleague the member for Brantford (Mr. Gillies) directed a question to that minister dealing with what

appeared to be political patronage in the health care field. The minister reacted with some indignation, and right on cue, the designated apologist for the government, the member for York South jumped to his defence.

2:40 p.m.

I would like to know the minister's reaction to the resignation of the vice-chairman and one other member from the Kingston, Frontenac and Lennox and Addington District Health Council because of the appointment of a former provincial and federal Liberal candidate as chairman, in complete disregard of the council's recommendation.

Will the minister tell us whether this decision indicates a new government policy that will see health councils precluded from selecting their own chairmen, or is this just an aberration?

Hon. Mr. Elston: With respect to that health council, the honourable gentleman will know we made seven reappointments on the recommendation of that council. We chose not to follow the recommendation of the health council with respect to designating the chairman. There is something I cannot quite understand. The same recommendation was made to the preceding Minister of Health. He chose not to follow it, and I chose to follow that same recommendation. We have reappointed seven people who were suggested to us by the health council.

We have made appointments of chairmen who have been recommended to us by other health councils. After a review of the personal attributes of the people, we make a decision as to whether certain abilities are not available in the candidates. We search, reach out and try to attract the best people we can throughout the province. We are working hard at putting together a community-type response to membership on health councils.

Mr. Runciman: The best people as long as they are Liberals. No one is going to accept that explanation except perhaps some people in the gallery. No one in this assembly is that naïve.

An hon. member: It is okay with the member for York South.

Mr. Runciman: Yes; it is okay with him.

The minister did not answer my question. This is something new for the government, involving itself in the selection of a chairman.

Hon. Mr. Elston: That is not true.

Mr. Runciman: Yes, it is when we are setting up health councils.

Will the minister assure the hundreds of conscientious individuals who serve on district health councils across the province that he will stop playing partisan politics with them and start listening to the valuable and independent advice they provide?

Hon. Mr. Elston: The gentleman has obviously taken exception to the fact that a person who perhaps is a prominent member of the Progressive Conservative Party was not appointed as chairman of that health council. We have accepted nominations as chairmen of health councils of people whose political allegiances are not Liberal. That is an indication that there is no playing politics and no pork-barrelling in the way those members would have played the game. We are reaching out for the best members we can find, not only for health councils but also for all the other advisory groups.

Yesterday, it was not appropriate for those members to suggest a possible conflict with respect to politics in the case of a medical person for whom I have no responsibility. In that case, I had appointed a provincial representative, the former mayor of Paris, who could not be indicated to be partisan in any way. Today, they are wrong again. We have made a number of reappointments on the recommendation of council. We are continuing to do that with respect to other health councils. We will continue to reach out and get the best community people despite what those guys say–

Interjections.

Mr. Speaker: Order. I remind the members that question took more than five minutes.

SPRAY PROGRAM

Mr. Rae: I have a question for the Minister of the Environment.

Given the announcement that has been made in an offhand way by the Minister of Natural Resources (Mr. Kerrio) with respect to chemical spraying, does the Ministry of the Environment approve of the use of chemical sprays that have not been tested for long-term use? In particular, does the minister approve of the use of the sprays fenitrothion and Matacil, in addition to the biological insecticide bacillus thuringiensis, which has worked so effectively in the last year, as was stated by my colleague the member for Nickel Belt (Mr. Laughren)? Does the minister approve of the use of those two sprays and can he give us the categorical assurance of his ministry that they will not have any short-term or long-term bad effects on the environment or on people in the north?

Hon. Mr. Bradley: First, the Minister of Natural Resources did not make an announce-

ment in this House today. He was asked about a variety of options that would be available to him and indicated those to the members. He did not make any particular announcement in this House and I think it would be inappropriate for me to comment on any potential announcement the honourable member seems to believe is coming.

Mr. Laughren: I remind the minister that his colleague said there would be between 20 and 30 per cent chemical spraying in the forests. I do not know to whom who he was listening, but that is what was said.

Mr. Speaker: Question.

Mr. Laughren: This spraying is being done at public expense. It is not enough that we provide the silviculture and build some of the roads in the forests; we also do the spraying for the pulp and paper industry. Will the minister announce that all spraying in our forests will be subject to an environmental assessment?

Hon. Mr. Bradley: All environmental considerations will be applied to any announcement that is made in this regard and to any spraying that would go on in Ontario. Full environmental consideration will be given to those announcements and to any of the substances that might be used as a result of the considerable problem that has been identified with the spruce budworm.

Interjections.

Hon. Mr. Bradley: Obviously, some of the members of the New Democratic Party do not want to hear the answer, but I can indicate that environmental considerations will be applied to any program of spraying that takes place in Ontario.

Interjections.

Mr. Speaker: Order.

Ms. Fish: We should be clear. We are talking about Sevin, a broad-band insecticide that is one of the prime honey-bee killers in this province and was abandoned by the agricultural community years ago for that very reason. Has the Minister of the Environment approved the ordering and purchase of these chemicals for spraying and has he specifically approved the spray program proposed for this spring?

Hon. Mr. Bradley: I can indicate to the honourable member, as I did to the leader of the third party, that no announcement of spraying has been made for Ontario.

Mr. Bennett: She did not ask that.

Ms. Fish: Now the minister will approve the order.

Hon. Mr. Bradley: No announcement has been made of any spraying program in this province. I will express all due environmental considerations to any of the substances that will be used for any spraying purposes in Ontario.

2:50 p.m.

PUBLIC HEALTH NURSES

Mr. McGuigan: I have a question for the Minister of Labour.

Given the current labour dispute in Kent county involving the public health nurses and the Kent-Chatham Health Unit, will the Minister of Labour consider using his good offices to encourage the prompt resolution of this problem, which is causing a fair bit of discomfort in the area?

Hon. Mr. Wrye: If memory serves me correctly, the dispute has been under way since mid-October and, as the honourable member knows, a tentative agreement was reached towards the end of November.

My colleague has spoken to me and raised these concerns privately with me before. I can advise him that Murray Lapp, the mediator in the dispute, has scheduled a meeting with the parties on Friday of this week. It is the first meeting in some time.

Following the municipal election, there was some delay while the new board of health was put in place. The inaugural meeting of that board was on January 7. There is a further mediation meeting scheduled on Friday and I am hopeful that matters will move to a swift resolution.

Mr. Gillies: When the Windsor-Essex public health nurses were on strike and the minister was the Labour critic for his party, he indicated to the public health nurses that he felt such disputes should go to binding arbitration. Does the minister still believe that is the appropriate way to settle these disputes?

Hon. Mr. Wrye: I am not too sure there was any strike while I was Labour critic. There was a dispute this fall. Since I am the Minister of Labour and we allow the right to strike, that will continue to be the position I will hold as a member of the government.

Mr. D. S. Cooke: Does the minister not agree that the issue in dispute in the strike in Chatham is pay equity with hospital nurses? Does the minister support pay equity with hospital nurses for public health nurses, and if he does, will he talk to his Minister of Health to make sure the funding flows so we can end this labour dispute?

Hon. Mr. Wrye: I am not sure the honourable member, who is right on so many things, is right on this one. My understanding is that the difficulty may be between the public health nurses and the public health inspectors, but if the member wishes to ask a question of the Minister of Health, I hope he will go ahead and do so.

AFFORDABLE HOUSING

Mr. Gordon: I have a question for the Minister of Housing. His assistant deputy minister has acknowledged that any new building by the private sector is going to be in the high end of the market and that this luxury housing will become the affordable housing for people in approximately 20 years. Is this the minister's new policy for helping those on low incomes and the homeless?

Hon. Mr. Curling: If the honourable member had read the assured housing policy document, he would have seen what the policy of this government is. If he has read something in the paper that said my assistant deputy minister had given a viewpoint, he should go back to the assured housing policy. That is the policy we have.

Mr. Gordon: That is the government's policy. The minister states in his housing policy that to meet the unmet need, he is expecting, through nonprofit housing, to be developing in the neighbourhood of 12,800 units over the next five years. When there are more than 40,000 families in need at present and he is going to be producing only about 2,560 units a year, that policy is a sham. When is he going to start providing housing for the people in this province who need it?

Hon. Mr. Curling: I am glad the member is correct in two phases of this. First, there are 40,000 families on the waiting list. That did not come about overnight. It came about from the neglect of 42 years in not providing affordable housing for the people of Ontario. He is correct in that instance.

He is also correct in saying these commitments were unmet. He must realize that if he wants us to meet all those unmet needs of 42 years within six months, he really wants me to be a Jesus Christ. I cannot do miracles.

Mr. McClellan: I have asked this question before, but I will ask it again. Why is the minister and the government wasting $75 million by way of subsidies to the private sector to produce, by his own admission, 5,000 units of affordable housing when the same $75 million invested in the nonprofit housing sector would produce at least double and probably triple that number of housing units. Why is he wasting his investment?

Hon. Mr. Curling: My honourable friend is very consistent. He expresses his view, which is a philosophy different from that of the Liberal Party. We believe in the free enterprise system, and we think the private sector can bring about affordable units too.

If his party ever forms the government, he can introduce his philosophy. We are the government, and we will encourage the private sector to bring in affordable units.

SPRAY PROGRAM

Mr. Rae: I want to go back to the Minister of Natural Resources and ask him a question. Can he tell us whether his ministry has purchased or approved the purchase of chemical pesticides for use in potential spraying this spring, summer or fall?

Hon. Mr. Kerrio: Let me share one very important aspect of the spray program. When I was discussing the mix with the ministry, I wanted to leave some option with respect to the percentage we might be talking about.

Mr. Martel: Yes or no. Answer the question.

Hon. Mr. Kerrio: I am leading up to the answer, if the honourable member will give me a minute. It is quite important, especially to people in northern Ontario.

The fact is that no commitment has been made. It may be that we will spray with all bacillus thuringiensis. That is why we are having the open houses; perhaps the member does not understand that. We are going to talk to the people affected, and the possibility is that we will spray with all Bt.

How could I have ordered it by now? We have not ordered chemicals or sprays that are acceptable, because we are going to have the open houses first and see what those people have to say about the effects.

I am suggesting to members, and I would like them to attend those open houses, that if a good case is made that we should spray only with Bt, that is the way it is going to be.

Mr. Laughren: The minister's answer is remarkable in view of the fact that I always understood that if one is going to use a spray that has to be used in the early spring, one has to make the purchase before the end of the previous year. We will see as time goes by whether what the minister has said is an actual fact.

Is the minister really serious that after all the input from the open houses, which begin on

Thursday in Thunder Bay, has been through the ministry, the final decision will be made by the end of the month? Finally, why is he not having an open house in Toronto?

Hon. Mr. Kerrio: The decision has been made that we will spray. The major spraying program is going to be made with Bt; there is no question about that. If I were to step out and order 80 per cent Bt, or if it has been ordered, it is fine with me, because all we are talking about is a small component. If the public opinion is that we should not use any chemicals at all, that is the way it is going to be: we shall not use any chemicals.

That is being practical and honest, and having the open houses is going to prove we will accept input from the public.

Ms. Fish: I am appalled at the minister's answer. There is no experimentation required on Sevin; it is a well-known insecticide. Its appalling, damaging and serious health effects are well documented and well known. It was abandoned by the agricultural community years ago. How can the minister purport to come before this House, or before anyone anywhere in Ontario, and suggest he is going to experiment on the residents with what is already known and has been abandoned elsewhere in this province?

Hon. Mr. Kerrio: There will be no experimenting. Only those things that are put forward as approved by the government of Canada can be used, and we will not talk about experimenting with anyone. We are talking about a small portion in some areas where there has been severe infestation. I am telling this House today that if it is the general opinion and if it is acceptable to this ministry that we should use only Bt, that is all that will be used in the spraying program.

I have no problem with that. Why is the honourable member suggesting there is a problem? As soon as there is public awareness and as soon as we have our open houses, I can tell this House right now that we will not spray with anything that is not acceptable.

3 p.m.

SALE OF PLANTS

Hon. Mr. Wrye: The member for Hamilton East (Mr. Mackenzie) raised a number of questions last Friday about pension benefits for employees of Manville Canada Inc., which is being sold to Manson. I am told the Port Union plant of Manville is one of three being sold to Canron Inc., which will in turn sell the Port Union plant and one in Montreal to Manson. The sale is being finalized February 1.

Representatives of the Energy and Chemical Workers Union had asked their current employer certain technical questions pertaining to benefits for nonvested employees under their current pension plan when the sale is finalized. The Canadian subsidiary did not have the answer and has been pushing the parent company in Denver to respond to the union's questions since the matter was raised by officials of my ministry.

Mr. Speaker: Order. Would the member for St. George (Ms. Fish) and the Minister of the Environment (Mr. Bradley) contain themselves, please?

Hon. Mr. Wrye: I am advised by the Pension Commission of Ontario that in the event of any windup of the plan all employees, including those who are nonvested, would receive full and automatic vesting of all accrued benefits and that in the event of a transfer of the plan to a purchaser, the plan membership is deemed to be continuous and employees are credited for previous years of service. This matter will be relayed quickly to the union.

With regard to the second question on the monitoring of employees exposed to asbestos, I can tell the member the–

Mr. Speaker: Order. Is this a long answer? Perhaps we should reply to the question that was just asked.

Hon. Mr. Wrye: I am reaching the end of it.

Mr. Speaker: Make it fast.

Hon. Mr. Wrye: Every six months, the ministry visits Manville and employees, based on experience, are tested every six months, annually or biannually.

Finally, with regard to the question the member raised about the situation at Ellensweig Bakery–

Mr. Speaker: Order.

Mr. Timbrell: Mr. Speaker, on a point of order: With respect, I appreciate the minister answering previous questions, but it is obviously of such a length that it should be a ministerial statement. I would ask you to add at least one minute to the question period today.

Hon. Mr. Peterson: Take five.

Mr. Timbrell: Okay, we will take it.

Mr. Speaker: Order. I appreciate the member getting up on a point of order. I asked the minister to complete his remarks. At that time, as I have in the past, I would consider whether it was too long or not. However, question period has expired.

Mr. Mackenzie: It is an important question.

Mr. Speaker: Order. I was advised it was a response to a question. I did not know how long it was going to be until I heard it. I will in the future again consider it. I appreciate the member's request but time has elapsed.

Mr. Rae: On a point of order, Mr. Speaker: Given the outrage expressed by the member for St. George about the use of the chemical spray Sevin, I think the House would be interested to know the last time this was mentioned was on July 4, 1985, when her colleague the member for Hastings-Peterborough (Mr. Pollock) asked the minister–

Mr. Speaker: Order. It is an interesting point of information.

INTRODUCTION OF BILLS

HAZARDOUS SUBSTANCES REPORTING ACT

Mr. Martel moved, seconded by Mrs. Grier, first reading of Bill 99, An Act to require Disclosure of the Use of Hazardous Substances.

Motion agreed to.

Mr. Martel: The bill requires disclosure by employers of the production, use, storage, emission or disposal of substances designated by the Minister of Labour as hazardous to human health or to the environment, and provides for access to disclosure reports by any person.

The ministry is required to supply, on request, health and safety information with respect to each hazardous substance. The names of persons requesting information are kept confidential. Employers are required to adequately label hazardous substances kept in the work place and to institute programs for workers on the proper handling of hazardous substances.

I hope the minister will move second reading of the bill.

Interjections.

Mr. Speaker: Order.

DISABLED PERSONS EMPLOYMENT ACT

Mr. Mackenzie moved, seconded by Mr. Charlton, first reading of Bill 100, An Act to provide for the Employment of Disabled Persons.

Motion agreed to.

Mr. Mackenzie: The purpose of the bill is to provide employment opportunities for disabled persons. The bill requires that employers hire disabled persons to constitute at least three per cent of the employer's work force. The bill permits the minister to vary this percentage requirement in cases where the minister considers another quota to be more suitable. In addition, the ministry may exempt an employer or class of employers from the operation of the statute.

The bill establishes a register of employable disabled persons to be maintained by the ministry for the purpose of facilitating efforts by employers to meet the quota established by the bill. The quota set by the bill is similar to quotas set in many European countries and may help us solve the 85 per cent unemployed problem with disabled people.

Mr. Wildman: Mr. Speaker, before the orders of the day, may I prevail upon the House for unanimous consent to revert to petitions? I did not hear you in the general hubbub.

Agreed to.

PETITION

MOOSE TAG LOTTERY

Mr. Wildman: I have a petition addressed to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario, in particular to the Minister of Natural Resources (Mr. Kerrio):

"We, the undersigned, beg leave to petition the parliament of Ontario as follows: That a complete reassessment of the moose lottery system now in effect be implemented by the Ministry of Natural Resources."

This petition is signed by approximately 190 residents of the Sault Ste. Marie and Algoma districts. We hope it will lead to us receiving a reply to the issues that were raised back in October and to which the minister has not yet replied.

ORDERS OF THE DAY

SCIENCE NORTH ACT

Hon. Ms. Munro moved second reading of Bill 95, An Act respecting Science North.

Hon. Ms. Munro: As the House is aware, I introduced this bill for first reading on December 19 to establish Science North in Sudbury as an agency with schedule 3 status.

I journeyed up to Sudbury on December 20, and I must say the action was received with good spirits there. I feel this action will make Science North more accountable, with a stronger management, and will allow us as a government to facilitate and reinforce many of the economic, education and research functions that agency is being legislated to provide for the north.

3:10 p.m.

Mr. Gordon: This bill, An Act respecting Science North, meets a need that has been there for some time. Science North was the brainchild of former Premier Davis, of the people in the regional municipality of Sudbury, and of Inco in the guise of its chairman at that time. Science North is a world-class tourist attraction that has been developed in Sudbury over a period of years. It is our deep hope that over the coming years it will develop into one of the pre-eminent world-class centres, not only in Ontario but also in Canada.

As the members are well aware, the north country has a number of tourist attractions. We have the Agawa Canyon at Sault Ste. Marie. We have the very fine tourist area in the Nipissing and North Bay area. We have great fishing. In the summer, we have beaches and various tourist lodges. As well, in the winter there is excellent cross-country skiing at North Bay, and if one goes a little further towards Ottawa there is the Mattawa area with its fine downhill and cross-country skiing.

It is very important to the north that a science centre such as Science North be located in the Sudbury region. If one is setting out from the Sarnia area, for example, and wants to go on a holiday tour, especially in summer, one can go up the peninsula to Kincardine and Tobermory and take the Chi-Cheemaun across to Manitoulin Island. When one reaches Manitoulin Island, one is reaching one of the largest freshwater islands in the world, one that is renowned for its fine tourist lodges, restaurants, fishing and general overall recreational gifts.

When one leaves Manitoulin Island, one can turn left and go on to Sault Ste. Marie, see Algoma Steel Corp. and the beautiful city of Sault Ste. Marie, and take a train trip up the Agawa Canyon, particularly in the autumn. That is the time when the leaves and foliage change and it is a gorgeous trip. Americans from Michigan and other states and many Canadians take the Agawa Canyon tour.

If one decides not to go left and go to the Sault, one can take Highway 17 east into Sudbury and visit what is becoming one of the fine world-class science centres in Ontario, Science North.

In the beginning, there was a great deal of talk in the city as to exactly where we should locate the new centre. I was mayor of the city and I can recall the regional municipality quite distinctly. At that time the chairman of the regional municipality was Mr. G. C. Lund. I recall him coming to my office and talking to me about how important it was to find a site that would be central and close to the major highways, a site that would enable tourists who were on the bypass around Sudbury, to easily come in and visit the centre.

After discussions with my governmental affairs adviser, David O'Brien–I might add that David O'Brien went on to be the chief administrative officer of the regional municipality of Ottawa-Carleton–and after looking at various sites through the parks and recreation department, we finally settled on the site near Bell Grove Park, which is on Ramsey Lake. Since that time, we have seen erected there perhaps one of the most beautiful buildings–I am partisan when I am talking about Sudbury–one is going to see anywhere in northeastern Ontario today. That is the snowflake-shaped science centre called Science North, which was designed by Raymond Moriyama from Toronto in conjunction with the very well known and reputable firm of Townend Stefura Baleshta and Nicholls in Sudbury.

That firm has been responsible for most of the very important public buildings built by the various institutions in the Sudbury region. Townend Stefura has been responsible for the very fine architecture and the construction supervision of such buildings as the Civic Square in the heart of the city, as well as Laurentian Hospital, the former nurses' residence near the Memorial Hospital, Laurentian University of Sudbury and Cambrian College of Applied Arts and Technology. I could go on and talk about many very fine public buildings whose architecture they have been responsible for in the city of Sudbury and the regional municipality of Sudbury.

The plan for the new science centre was that it would have a focus not only on the latest scientific achievements and hands-on type of scientific experiments that students and adults could participate in, but it would also be a science centre that would focus on some of the natural resources we have in the Sudbury region.

Quite fortuitously, the site of Science North at Bell Grove Park, next to Lake Ramsey, is the one area where there is a major fault running through the rock. This was discovered as they were excavating and as a result, they planned the building in such a way that from the circular staircase running up to the various floors and exhibits, visitors to Science North can see this fault.

Science North also has a cavern in its bowels wherein it has the very latest photography and motion-picture equipment that can give a three-

dimensional, in-depth movie on a giant screen. This has been one of the attractions many people have commented on, both people from the Sudbury region and tourists from afar.

Some time ago, on October 19, 1983, I told the board of Science North I thought it would be better if Science North were to become an agency of the provincial government. At the time there were some who resisted that idea, and understandably so. In this world we all have our own thoughts on things and it is only natural that we all think what we think is right.

Interjections.

3:20 p.m.

Mr. Gordon: The member for Nickel Belt (Mr. Laughren) thinks what he thinks is right and I think what I think is right. I know the Minister of Citizenship and Culture (Ms. Munro) knows darned well what she says and does is the right thing since she is the minister.

There was a minor furore in the Sudbury region when it was suggested that Science North become an agency of the provincial government. It was quite clear at that time, despite the fact that the private sector has contributed significantly to this centre, and I should point out that such firms as Inco and Falconbridge have been most supportive, that it was not going to be possible for Science North to develop into the world-class science centre it should be unless it received provincial government support.

As a matter of fact, the board of Science North, under the very capable direction of George Lund, had launched quite an extensive fund-raising campaign throughout Canada. It met with some success, but it was obvious to the board that over a period of time the centre just was not going to be able to be self-sufficient in financing.

After a number of meetings with the various ministers who held the portfolio the minister is currently holding, such as the member for St. George (Ms. Fish), a decision was made at the very highest of levels that it would be proper for Science North, since it already had a significant portion of provincial money in it, to become an agency of the province.

This will mean that Science North is going to have the financial muscle to avoid the kinds of deficits that all too often occur with public institutions of this nature. As well, it will mean that Science North will have the kind of moneys that are necessary in order to change exhibits when it is appropriate and timely to do so, and so we will not have a science centre that is a flash in the pan or that attracts tourists for only a limited number of years. Rather, it will be a science centre that will grow and become more exciting and more entertaining for the people of this province as well as for the people from other countries over the years.

I might add that I would like the minister to have her staff investigate and perhaps do a study on how we can attract more of those tourists who turn up on the shores of British Columbia and, after seeing the mountains, decide that is Canada. I see from the papers and from recent broadcasts that the Prime Minister of Japan has been in Ontario. It would be very helpful if the minister looked at seeing how we can attract more people from that part of the world to Ontario. I think they would be truly impressed not only with Science North but also with the north itself.

Northern Ontario, especially in the summer, is a very scenic land. It has a rugged beauty; it has many attractions. One of the things that would really impress people from that part of the world is the lack of crowds. Perhaps someone in that ministry would advise the minister that she should do everything possible to attract tourists from that part of the world to cities like Toronto, Ottawa and so forth. However, I think what these people would really appreciate seeing much more is the other side of Canada, the uncrowded side of Canada.

Perhaps her very capable staff could set up a tour to take them from Toronto to North Bay and around to Sudbury and Sault Ste. Marie, then perhaps back down through Manitoulin Island, across on the ferry to Tobermory and back to Toronto again. Nevertheless, I leave that to her capable staff. I am not a tour director, but I am sure she has some people who are quite capable in that regard.

As well, I would like to thank the minister. I understand that she has seen fit to listen to the suggestions of the members from the Sudbury region that the auditors for Science North remain the same as they were in the past. They are local auditors. I think this shows a sensitivity to the need for jobs in our region, and I thank her very much for that consideration.

I do not know what else I can say at this time about Science North except that I am very pleased it is going to become an agency of the province. I am sure the minister will watch over it very fondly since she is putting the cap on things.

Mr. Laughren: I rise in support of this bill to make Science North a provincial agency. I believe very strongly that it is a step in the right direction, and I commend the minister for

bringing in the amendment requested by the Science North people in Sudbury.

There has never been any question about the architecture of Science North. People are very pleased with that striking building. At some point, I would like to see every member of the Legislature have a tour through that facility. I wish more members could get to facilities such as Science North. I understand the problem, but it is unfortunate members do not get to see it. I think of Old Fort William at Thunder Bay as well. I wish all members could visit those types of facilities.

Although there has never been a question about the fine architecture of the building, there has been a question about the exhibits at Science North during the past couple of years. They have been lacking and I hope this will improve with Science North becoming a crown agency; that they will be beefed up in consultation with the local people.

I would like to pay tribute to some of the people who made Science North possible. There are an enormous number of local people, but one I would single out is the person who was the director. I am not sure of his precise title, but Dr. David Pearson was seconded from Laurentian University to Science North for about three or four years. He did a magnificent job in that role. He is not there now except on an advisory or part-time basis.

If I were not so shameless, I would also pay tribute to all the volunteers who helped make Science North tick the past few years, including my two sons who worked three days a week all one summer and one day a week all winter as volunteer guides in the facility. Being bilingual is one of the major benefits of the way Science North is set up. I am pleased that is built into the bill. It is terribly important that the services of Science North be bilingual. It would be unacceptable if they were not.

I am not any kind of expert on the development of tourism, but I would like to see more themes developed at Science North. I can recall going to the Ontario Science Centre in Toronto when it had the Chinese exhibit a couple of years ago. It was truly magnificent. That kind of thing can be a major attraction to a facility. It will take a while, but I hope, in the years to come, that kind of thing will be developed at Science North as well. That is the way it will become not the Sudbury science centre but an Ontario facility that will attract people from elsewhere as well as from Ontario. In particular it will become a major northeastern Ontario tourist attraction.

There have been attempts to co-ordinate other facilities in the region with Science North, such as the road system and motels and hotels being built near it. There are a lot of hopes that Science North will go at least part way to giving Sudbury a more diversified economic base. This is just one way of doing it. I and my colleagues in the Sudbury area have always stated that we do not see tourism as being the answer for rebuilding the Sudbury economy but simply a component of that process. We should never make the mistake of thinking we can hang our hat on tourism in Sudbury. The problem is much more serious and complex than that. That alone will not resolve our problem.

With those brief remarks, I would like to make sure the minister understands she has the support of the local members in trying to make Science North a major first-class facility that will attract people from within the province and from outside it as well.

3:30 p.m.

Mrs. Marland: As Citizenship and Culture critic, I am happy to rise in support of Bill 95. I am pleased to be able to speak briefly on this bill and to acknowledge the wisdom of the Ministry of Citizenship and Culture in continuing the policy for Science North that was initiated by the Progressive Conservative government and fought for so hard by my colleague the member for Sudbury (Mr. Gordon).

Since its inception in the early 1980s, and through periods of financial uncertainty and administrative differences, the member for Sudbury persevered. His dedication to the economic, educational and cultural welfare of his constituents has played a major role in establishing this great facility for education and entertainment that now exists in Sudbury. The city of Sudbury must indeed be indebted to and appreciative of the member's efforts not only for the benefit of his community but also for the benefit of the greater northern community of our great province.

The establishment of Science North as a crown corporation will ensure that Ontario can enjoy another world-class facility of this nature, further examples of which are institutions such as the Ontario Science Centre, the Royal Ontario Museum and other international partners.

Today, because of the dedication of my colleague and the foresight of the Progressive Conservative government, Science North offers an opportunity for its visitors to explore both our natural and our technological heritage. In developing and promoting a northern perspective, its exhibits include everything from small northern

creatures to fitness and human performance, from geology to computers to communications.

Because of a hands-on theme that is very much a focus of its service, visitors can learn to interpret the blips from its state-of-the-art weather system predicting an approaching storm, and computers teach visitors the basics of programming. Its communications theatre deals with everything from bird songs to the development of human speech. The history of this great nation is explored through the Franklin exhibit, which depicts the agony and glory of the search for the Northwest Passage.

In short, Science North exists as a testimony to the realization of the objectives of the Ministry of Citizenship and Culture that were established by our Progressive Conservative government. In making the decision to establish it as a crown agency, we recognized just how important it was to ensure that a facility of this nature be established for the benefit of northern Ontario. Our ministry had a strong regional orientation and was responsive to the needs of Ontarians in all areas of this province.

The economic viability of the Sudbury region is, of course, of great concern to my colleague from that city, and we recognize the hand-in-glove relationship that exists between the success of such a project and the tourism industry in northern Ontario. To date, I believe the completion of Science North has coincided with plans for two hotels in Sudbury, and more than 400,000 visitors to the centre are predicted annually. The local economy has further benefited from the many thousands of permanent and part-time jobs that have been created as a direct result.

The opportunity to learn, to grow and to explore together has been secured. On April 16, 1985, when the then Minister of Citizenship and Culture, the member for St. George (Ms. Fish), announced additional funding in the amount of $1.6 million to cover operating and capital costs, she reaffirmed the importance of viewing Science North as a community-oriented project.

Before I finish my remarks, I want to say that I hope the present minister will respect this intention, particularly with reference to the composition of the board of directors. I know this will be appreciated by the many who have already made such a tremendous commitment to this project.

As a member of the Progressive Conservative Party that initiated this bill, I am delighted to support it in the Legislature today.

Mr. Martel: After listening to the last speaker, I nearly gagged, if I can put it so bluntly. It is a typical Tory approach. "Throw them a crumb and they will be happy." Science North is a great facility. However, when I hear somebody saying it has created thousands of jobs, that is a lot of bunk. It has created a handful of jobs. It is an excellent facility, but the Tory attitude to the north for years was, "Throw them a crumb in the north and they will be satisfied."

I should tell the member that it was her Tory party that wiped out the fourth largest employer in the Sudbury basin. With the snap of their fingers they closed Burwash, the industrial training centre, and 225 permanent jobs went down the drain. That little crumb and Sudbury 2001 to which Bill Davis gave $600,000 were supposed to resolve the problems of the Sudbury basin when Inco had dropped from 19,000 employees to 6,500, and Falconbridge from 3,500 to 1,800 hourly employees. That is the crumb the Tories were going to give us.

During that time, they wiped out the fourth largest employer in the Sudbury basin, the Burwash correctional farm, and opened a new prison in the riding of the former Minister of Transportation and Communications, James Snow.

An hon. member: In Oakville.

Mr. Martel: In Oakville.

They did wonders for the Sudbury basin. One has to go there to believe it. We have had an outflow of 15,000 people in the past five years and we have 15 per cent unemployment, and that member gets up as though we just had the Taj Mahal given to us.

I was going to say kind words. Here we have a move—nothing socialist is sacred any more. The Tories would make Science North a socialist institution. Just a couple of weeks ago they talked about government-sponsored auto insurance. I do not know what Bob Runciman is going to do soon in that party, everything is becoming so socialistic.

The Deputy Speaker: Order. Will the member for Sudbury East please refer to other members by their riding names.

Mr. Martel: The member for Leeds.

The Deputy Speaker: Will the member please get back to the bill.

Mr. Martel: That is what I said, Mr. Speaker.

The Deputy Speaker: Insurance is not connected with this bill.

Mr. Martel: No, but I said they were making a crown corporation out of this, and that is a socialistic move, is it not? Is that part of the bill?

The Deputy Speaker: The chair does not really answer questions.

3:40 p.m.

Mr. Martel: Thank you, Mr. Speaker. You bring me back to my main remarks.

Science North is a great place, but it is not going to resolve the economic problems of Sudbury, and anybody who comes to Sudbury and says it is going to do that is stretching the credibility of people. It adds to Sudbury and it induces people to go there who otherwise would not, but to suggest it is going to resolve the economic problems of the Sudbury basin is simply ridiculous. I wish the member would withdraw her remarks, because she cannot convince anyone of that.

Mr. McClellan: She should retract her entire speech.

Mr. Martel: To retract the whole speech might be a good idea.

I am delighted the minister is prepared to accept the proposal a number of us have contacted her about; that is, to hire local auditors. I checked with Mr. Archer, and he has approved it. I am pleased to see the government is responsive. If I had tried to do this two years ago, I would not have got–

Mrs. Marland: On a point of order, Mr. Speaker: I heard the member for Sudbury East (Mr. Martel) refer to Science North as being crummy.

The Deputy Speaker: That is not an appropriate point of order.

Mr. Martel: I did not say that. Heaven help me. I said it was a great facility. It was her crummy response that it was a solution to all the economic ills of the Sudbury basin that was a lot of nonsense.

The Deputy Speaker: Order. Now back to the bill.

Mr. Breaugh: It was mindless pap.

Mr. Martel: I will withdraw that. It is not crummy. As my colleague says, it is mindless pap.

We are pleased we are going to put this on a sound economic footing. That is what the attempt was, and I give the member for Sudbury (Mr. Gordon) some credit in influencing his colleagues prior to this to look in that direction. Science North was, as the minister is aware, in some financial difficulty. This is going to make Science North a viable drawing card to the Sudbury basin.

At the same time, one of the things the community has been after so we can keep people there is the promise that was made by the previous Minister of Natural Resources, the member for Cochrane South (Mr. Pope). This would be an advantage to Science North. For a number of years, I have been asking the government to put some funding in to develop a huge park in the Sudbury basin. One of the Ministers of Natural Resources announced 1,250 hectares for that. We had been on about it for 10 years.

In the 1983 estimates, the member for Cochrane South guaranteed that $3 million in funds would be provided in 1985 to develop the park so it could tie in with Science North. People could go there in a trailer, and we would have a park a short distance away, for day and night use, that would tie in nicely with Science North, to keep tourists there for more than one day.

I have tried to understand why the previous government failed to deliver that, even though the minister is on record in Hansard as saying that approximately $3 million would be given in 1985. I hope my friend is listening to that. The previous government did not come through with its promise of $3 million to provide an added attraction to one of the nicest parks in northern Ontario.

I have been to see the current Minister of Natural Resources (Mr. Kerrio), who says he is prepared to look at it; but he is still not prepared to commit the $3 million that would make Science North a much more attractive place for people to visit if we simply finish the park. While we have set the land aside, one has great difficulty getting there; the road is a disaster.

I ask the minister to check with her colleague. If we are going to make Science North as viable as we want it to be, we have to attract people to the north and keep them there for a while so we can shake them loose from some of their long green. We can then leave some of that cash in the Sudbury area to help the Sudbury economy. I ask the minister to look at that.

I was diverted from my remarks a few moments ago. I wanted to say to the minister how much I appreciate her willingness to move an amendment that will see the accounting being done by people in Sudbury, because jobs really are a problem.

It was interesting. Just recently the Ontario Lottery Corp. advertised a job in Sudbury. There were all kinds of applications. When 15,000 people are unemployed, there are lots of applications. Someone in the lottery corporation decided

to send someone from Toronto to fill the job. I got hold of the Minister of Tourism and Recreation (Mr. Eakins), and in about an hour that had been cancelled. He said, "You need the jobs in Sudbury."

Again, we appreciate that sort of thing because jobs are scarce. As with the auditing, I hope the minister finally will be able to shake loose from the Minister of Natural Resources the $3 million that was promised to me in committee.

In conclusion, I too want to compliment the people who developed Science North. If one has not seen it, it is a first-class institution. However, we need some other things in the area in the form of tourist attractions that will keep people there. If we expand on those, then we can lay the basis for some jobs, and I hope the minister will see to that.

Hon. Ms. Munro: As the members have noted, I intend to propose an amendment to section 13 of the bill, which refers to the auditor. I will read the wording later, but we will suggest that a local auditor be appointed for the reasons articulated. First, we feel local knowledge and input are important to this government at this time, and if we hire someone who is able to liaise with the government on financial issues relating to the operations and expenditures of such a facility, it will make us feel more comfortable here in Toronto.

The other item was well taken: It does maintain another job for Sudbury, and as the Minister of Tourism and Recreation has demonstrated, he is also very sensitive to this and very willing to work with all members of the Legislature.

I want to ask the Speaker whether an amendment can be put forward now, if we go into committee of the whole for a short time. I would like to read the wording, if that is your direction.

The Deputy Speaker: No. It can be put when the House goes into committee of the whole.

Hon. Ms. Munro: Fine.

I want to spend a few moments responding to some of the positive comments made by members of the opposition parties. I will start with those of the member for Sudbury. I agree with him most wholeheartedly that Science North is a marvellous structure. I wish to acknowledge all the commitment and the efforts of the previous government and of the previous opposition parties in allowing that dream and vision to become a reality.

I also take very seriously the honourable member's suggestion and question on how we might attract more tourists to the Sudbury area. Science North as it is viewed now will maintain its status as a partnership of local and provincial governments and private industries, but through a close liaison with this government, it will be able to provide more advice and accountability from a management and financial point of view.

When I was in Sudbury on December 20, I said to the people gathered in that marvellous auditorium how much I felt that Science North was a jewel in the crown of the north, and I truly mean that. In previous visits to Sudbury–and I have taken the time to visit the agency, not just to read about it–I was very impressed by the volunteer workers and by the honesty of the board and the members of the community, including Laurentian University, Inco and Falconbridge, and their desire to make sure this agency becomes viable.

3:50 p.m.

I have taken seriously the suggestions by the member for Nickel Belt (Mr. Laughren) on the architecture of Science North. I join with him in paying tribute to all the people involved in the development of Science North in Sudbury and area, including not only this ministry and Legislature but also the federal government, Inco, Falconbridge and Laurentian University.

I concur with the honourable member that the addition of language services in both French and English was a marvellous signal by this government in recognition of the true character and personality of the north. It was embraced by citizens of Sudbury and has continued to be referred to in their representations to the ministry on their future development.

The suggestion from the member about Science North looking more at its themes is a good one and, in fact, was developed by the board on my visit towards the end of the summer.

I believe Science North should be playing a much more important role in research and development in developing, marketing and selling its exhibits and perhaps entering into co-ordinating arrangements with our other agencies so we are not only financially accountable within our crown agencies but also able to share and support northern dreams.

I appreciate the support of the member for Mississauga South (Mrs. Marland). We appreciate that the Provincial Conservative government initiated this whole idea. I am sure any member of the Legislature who has not visited this fine agency will see not only the work that has gone into it but also what it can become.

We support the original intention of Science North and acknowledge all it will be in the future.

We are very sensitive to the problems of the board and staff in areas of management and financial accountability. I wish to assure the honourable member that we will be working very closely with the board to sort things out.

We commended the board for its honest approach to the government in the summer of 1985, when it came to us at one of the first opportunities. We journeyed to Sudbury to talk, after viewing the facilities, about what crown agency status might mean in respect to a better partnership.

I point out to the Legislature that it will be a schedule 3 agency, which I note once again is a reflection of our faith in Sudbury and Science North and of our commitment to the arm's-length principle and status. We believe a world-class scientific, education and tourist attraction can operate in an accountable and independent fashion only by according it this status.

In closing, and I am referring to the member for Sudbury East (Mr. Martel), Science North in the first year of operation has been able to contribute 580 person-years of employment to the Sudbury economy, as of the fall. To inject $15 million into that economy is a far cry from stimulating the entire economy, I agree, but it is a very positive step forward.

When discussing the whole issue of crown agency status for Science North, I think the Legislature should be aware that the Minister of Northern Development and Mines (Mr. Fontaine) was very supportive of seeing culture as one of the very important cornerstones in development. Therefore, he embraced the idea in the context of tourism, recreation, economic stimulation and the social aspects of the north.

Other ministers who were very supportive included the Minister of Natural Resources (Mr. Kerrio), who I will lobby to take a look at the park land facility. I also mentioned the Minister of Municipal Affairs (Mr. Grandmaître), who was very pleased to see that French-language services were becoming a reality in the north. I am hoping that as the agency continues to develop, all peoples of the north will feel it is their science centre, including our nation's first people.

I appreciate all the concern and interest of members of the Legislature.

Motion agreed to.

Bill ordered for committee of the whole House.

AMUSEMENT DEVICES ACT

Hon. Mr. Kwinter moved second reading of Bill 97, An Act respecting Amusement Devices.

Hon. Mr. Kwinter: It is my pleasure to introduce for second reading the Amusement Devices Act, an act intended to help increase the safety of amusement rides and other attractions used by the Ontario public.

At present, the regulation of amusement rides is the responsibility of municipalities and local authorities which, in accordance with the Municipal Act, have permissive authority to inspect and license such rides. A recent survey conducted by the technical standards division of my ministry, however, determined that very few municipalities have the financial resources or staff necessary to carry out this responsibility.

Statistics indicate some risk is associated with public use of amusement rides. Since 1962 in Ontario, there have been 10 amusement ride fatalities in addition to at least six serious go-kart accidents resulting in three fatalities. Available data indicate the majority of serious amusement ride accidents result from operator error or rider misuse. In some cases, accidents could possibly have been avoided through a proper program of licensing, regulation and inspection.

While inspectors with my ministry have had no formal authority to investigate amusement ride accidents, they have been invited to contribute their expertise to investigations on numerous occasions by the Ministry of Labour, the Ontario Provincial Police or local authorities. On more than one occasion, inspectors have noted flaws in design, assembly or operation of an amusement ride which almost certainly would have been detected during regular inspection and corrected prior to continued operation.

The purpose of the Amusement Devices Act is to put an inspection program in place throughout Ontario in the interests of riders or users. Under the act, qualified inspectors will be appointed and will have the power to order maintenance or alterations to rides as well as the power to close down rides considered unsafe.

Field inspections, however, are only one facet of the regulatory program. In addition, owners of rides operating in Ontario will have to be registered with the province, and their rides will have to be both inspected and licensed by my ministry. Ride owners and operators will be required to maintain a log book, which will include records of daily safety equipment checks, original design, alterations, repairs, accidents or any unusual occurrences.

Before any new ride sets up for operation in Ontario, its compliance with adopted standards will have to be confirmed by an Ontario registered engineer and then reviewed and

registered by the elevating devices branch of my ministry. Rides that undergo major alteration will be subject to a similar approval and registration process.

Ride owners will also have to ensure that operators and attendants are qualified and that maintenance is performed by qualified mechanics. Owners will have to install signs, where necessary, to educate the public about safe usage.

In addition to traditional amusement rides and go-kart tracks, this act will govern the safety requirements of other attractions, such as water slides, now operating in the province.

The regulations in support of this legislation are being finalized and I expect they will be completed in ample time to allow for the registration, licensing and inspection of the province's go-kart tracks in time for the upcoming season. I anticipate that the regulations and necessary inspection staff for all remaining amusement rides will be in place by the end of 1986.

Throughout the preparation of this legislation, representatives of my ministry have worked closely with representatives of the Ontario amusement ride industry. By and large, the industry has been very supportive of our effort to create a set of definable standards governing the safety of rides and attractions.

The great majority of owners and operators will not be faced with prohibitively high costs as a result of this program. Inspection fees will vary from $25 to $300 for each device, depending on size and complexity. There will also be fees for design and owner registration, ride registration and other services.

There are more than 1,000 individual rides operating in Ontario, mostly restricted to summer use, but some operate indoors on a year-round basis. A large segment of the Ontario amusement ride industry is transient, with rides moving from town to town on a weekly basis throughout the season.

4 p.m.

It is also an industry growing rapidly in technical sophistication, as theme parks and other operators introduce more exotic and complex attractions. This growing sophistication also places greater importance on the need for standards governing design, registration prior to operation and an effective inspection program.

The Amusement Devices Act will help improve the safety of amusement rides operating in Ontario and will provide a more consistent, efficient and effective system of regulation than incomplete coverage of existing municipal programs now in place.

Mr. Runciman: Our party is going to support this bill. The minister is going to have something of an easy ride, so to speak. Perhaps many of the people under the gallery can go back to earning their salaries at 555 Yonge Street. I want to compliment the minister–I know he is not used to receiving them from me–for carrying through with this initiative that was begun by the previous government.

We have some concerns that have been relayed to myself and to other members of our caucus that we wish to put on the record. Several of my colleagues will be doing that shortly. From my perspective, even though these concerns are out there, I think this legislation is needed. In my riding a couple of years ago a young lady was riding in a go-kart–the minister mentioned the number of go-kart accidents–and caught her hair in the motor mechanism and was literally scalped while riding that go-kart.

Although I know the bulk of operators in this field are excellent and very safety-conscious–their industry has a remarkable safety record–we as legislators cannot turn a blind eye to the occasional instances of serious neglect that have resulted in serious injuries and, in some instances, in the death or maiming of individuals. Obviously, this sort of thing is required.

Because of some of the things the minister mentioned in his statement, the great majority of owners and operators will not be faced with prohibitively high costs. No doubt that is true, but one concern brought to our attention, and I am sure to his, is the impact this might have on county fairs. Many of them now are in a financially difficult position and have a very tough time affording the entertainment and amusement organizations they retain to perform during the fairs. This is something we have to take a close look at over the next couple of years, following implementation of the act, to see how it is impacting on those organizations.

That is our point, the point other members are going to be making today. Although there are some concerns, we do not feel they are something we should support at this stage in terms of amendments to the bill. However, we urge the minister and his staff to monitor the implemention closely to see what kinds of problems occur as a result of it, and to see that the individuals and companies are not faced with overzealous inspectors who make unreasonable demands on them that could result in closure of their businesses.

From my perspective, that is all I want to contribute to the debate at this time. Since I am going to have to depart, I will indicate that there shortly will be an amendment we can support, depending on the minister's contribution. If he and his staff have real concerns about the amendment, we are prepared to listen and make our decision at that time. However, on the surface of it, I indicated to the other critic we were prepared to support the amendment.

Mr. Swart: I want to indicate immediately that I and my party are supportive of this bill, at least of the principle that is incorporated in it. The minister might agree that is put very concisely in the explanatory note, item 5, which says, "It will be an offence to operate an unsafe ride or to operate it in an unsafe manner." None of us can disagree with that principle.

I commend the minister for having dealt with this at a rather early stage in his government. I presume he expects it will be law before the main amusement season starts this year. It is only fair to point out, as he has done in a press release, that up to this point we had been behind other jurisdictions in this nation, and for that matter behind other jurisdictions in North America and in most of the western world, in not having such legislation.

As has been stated by the spokesman for the Progressive Conservatives, the previous government did bring in a bill or start the process, but the simple fact is that it had 42 years to do so and did not accomplish that. It is not unfair to commend the new minister for considering this important enough that he brought forward the legislation and is going to deal with it expeditiously.

The permissive legislation which authorizes municipalities to license and inspect amusement devices was not adequate, and again, it is not unfair to point out that my party said at the time it was introduced that it would not be adequate. We are, therefore, now pleased to see more comprehensive legislation.

I accept the argument of the minister that there is a need for it, although I think he recognizes that, by and large, the amusement industry in this nation has been a relatively safe one. Most accidents that have occurred have not been caused by faulty equipment, although there has been some faulty equipment.

In the Ottawa area just this last year there was a Ferris wheel in operation on which, somehow or other, one seat did not turn, and when it got up in the 180-degree position, the seat was upside down. The people in it hung on to the bar for dear life and, if they had not been strong, might have fallen and been killed. That seat was faulty. We also know there was a ride initiated at Canada's Wonderland which caused some real problems at the beginning. Some accidents have been scary, and this legislation is needed to ensure they will be eliminated as far as possible.

I accept the minister's statement that there has been consultation between his ministry and the amusement industry, although the latter's reports to us indicate it has not been as extensive as the minister might lead us to believe. The industry would like to have seen a greater amount of consultation.

4:10 p.m.

In this part of my comments commending the minister, I want to state that I believe he has been wise in providing, as he has indicated–although it is not in the legislation and cannot be–for relatively nominal fees for the operators. They will not be enough to put any of them out of business or cause any major reduction in their operating property or increase in their operating costs.

They had made representation to him. I have a copy and I am sure my colleague the member for Leeds (Mr. Runciman) has a copy of the representation made to the minister about the industry's concern with any major increased costs because of the poor financial viability of many of these operations. He is obviously taking that into consideration.

I am one of those who believes that, with many of these government regulations providing for safety or public benefit in some way, it is not unfair that the costs be borne by the public to a large extent. I have some concern when I see planning departments in municipalities assessing large costs to somebody who wants a change in planning. If the municipality wants to have a planning law and there are people within that municipality who want to make a change and the public interest has to be considered, then maybe that cost should be chargeable to the public. I use that as an example and I see the minister has followed this example here. I commend him for it.

I and my party have some concerns with the bill. I hope the minister will answer these concerns when he rises to wind up the debate. I have concerns about this legislation, as I have about other legislation that has been brought before this House. Under clause 17(1)(n) there is the provision for the Lieutenant Governor in Council to exempt "any amusement device or

person or class or type thereof from any provision of this act or the regulations."

That means if the minister wanted to, there could be an operation of at least one amusement park that did not have any of these safety provisions, any inspections or any licensing. It says "any of the provisions of this act." In many acts, this is a sort of standard provision, but I raise it as a matter of principle. If the government wanted to provide exemption from any of the regulations under this act, I could buy that, but when it comes to exempting the act–I am not suggesting the minister is going to do it. That is not the intent. Nevertheless, that provision in an act such as this bothers me.

I do not think it would weaken the act if there were limited provisions for exemption instead of exemption from the whole act. I am not moving an amendment on this because this same kind of provision is in other acts as well. It is something the government should take a good look at. It should not be setting up government policy–in this instance a very good principle in government policy–saying the Lieutenant Governor in Council would have the power to exempt any person or any device from this act in this instance. I hope the minister will comment on that when he rises.

I also hope the minister will say it is his intention, perhaps under the regulations, to adopt the safety code for amusement rides. There is general agreement between him and his ministry that the federal code is a desirable one. Although it applies only to new rides and new construction, I hope it will be adopted and that he will give that commitment when he rises.

I also have some concern, although one cannot write these things into an act, about inspections. I have the impression there may be an inspection of the equipment once a year before it goes out on the road and that this may qualify as the total in the way of inspections. When the minister gets up to reply, I would like him to tell us that there will be comprehensive spot inspections when these are in operation during the season, or during the year if they operate for the whole year.

If this act is going to be meaningful, we know very well it will have to be policed. Although in most regulations of this kind we recognize that the majority of the operators are good and will live up to the act, there may be some who will not. Therefore, I would like to hear him say there are going to be comprehensive spot inspections of these amusement rides when they are in operation.

Another matter that concerns me somewhat–perhaps only slightly, but I think it would improve this legislation if it were remedied–is that the section of the Municipal Act which now permits municipalities to license, inspect and require safety measures should be repealed so we do not have two such licensing bodies for these amusement rides. I suspect most municipalities will be glad to get out from under it. There might be some that will want to be tough, but I think the legislation we have should be adequate. There should be only one government administering these inspections.

Finally, as the minister knows, I have some concern that there is no requirement in the act that amusement business operators have liability insurance. We have had some discussion on this and it is my understanding the minister will agree to an amendment that is to come forward, an amendment that has been modified in accordance with the wishes of legal counsel. However, I do want to put on record my concern about passing legislation that does not have any such provision.

It is perfectly obvious that while there is no requirement for insurance, as there is now no requirement, most operators, for obvious reasons, will have it, but there may be some who will not. If somebody is injured or killed on an amusement ride and if there is no insurance, there will be a new complication for that person. At a time when we are seeing liability settlements in the millions of dollars–I am not suggesting they are right, but we are seeing them–to permit an amusement ride to operate without any insurance does not seem very reasonable.

I am not suggesting this is the minister's intention; I do not think it is. I know the problem he is having these days with insurance and he probably does not want to have a hassle raised on this issue. However, I suggest that if this Legislature decides there should be a clause in there, it may lessen the hassle for him as a minister.

From my point of view as a member of this Legislature, I do not want to see any legislation of this kind pass that does not require that there be insurance coverage. Although I trust that the minister will have such coverage, I am not prepared to have the Legislature pass legislation without ensuring that this is the case. I think it would to some extent be faulty legislation.

4:20 p.m.

Because there have been some changes in the amendments which have been proposed and I would like to give advance notice to the Conservative Party, I will read the amendment which I will propose when it gets into committee

so its members can have time to consider the newly-worded amendment.

"I move that the bill be amended by adding thereto the following section:

"3a Every person who carries on the business of operating amusement devices shall procure and maintain liability insurance with respect to the operation of the business in an amount not less than a prescribed amount."

I will then move an amendment to section 17.

"I move that subsection 17(1) of the act be amended by adding thereto the following clause:

"(a) prescribing for the purpose of section 3a the minimum amount of liability insurance that applies to any class or type of operation."

As the House will see and the minister will also recognize, I am not trying to be tough in this kind of amendment. I still leave the authority with the minister to determine the amount of insurance which should apply to the various classifications of rides. I realize the need for classification, but I am also living up to a principle about which I feel strongly, that this legislation should not go through without having in it the requirement for insurance.

I am glad to have had the opportunity to make some comments on this bill and to say to the minister that I hope the amendment I will be introducing in committee will be considered by him, a friendly one. My criticism of what I feel are some of the inadequacies of the bill is given in a friendly way. I hope he will see fit to comment on them and give the kind of insurance I and others would like to see in this bill.

Mr. Offer: It is with pleasure that I rise in support of Bill 97, An Act respecting Amusement Devices.

This particular act is intended to improve the safety of amusement rides and other attractions used by the Ontario public. It focuses on safety standards and their establishment. This new legislation will require that ride owners be licensed by the province and that each ride be licensed and have a permit to operate.

Again, the legislation focuses on an inspection of these rides at regular intervals by provincially-appointed inspectors empowered to order repairs relating to safety or, and maybe most importantly, to close down rides considered unsafe. This does not mean to say there is a problem with respect to the amusement ride industry, but it does mean it is time the provincial government should have the right, in the event certain rides are considered unsafe, to follow a regular, routine procedure to safeguard the interests of persons using those rides.

In addition to the traditional amusement rides and go-kart tracks, the new legislation will also govern safety requirements of other attractions. As we know, especially around the Toronto area, these types of attractions are growing each year, as they become technologically feasible.

This legislation is long overdue. I am happy to hear the member for Leeds (Mr. Runciman) and the member for Welland-Thorold (Mr. Swart) indicate their support. Let us remember, we are not so much talking about wide technological advance or what is in amusement parks, as we are talking about people–the users of those rides and other attractions–and tragedies which have befallen some of the users. Let us not forget that in the past number of years there has been a growing incidence of accidents involving amusement devices. It is important to keep in mind that since 1962 there have been 10 fatalities and at least six serious go-kart accidents. Over the years, there have been repeated calls for the legislation that is before this House today.

It was to a degree well said some years back in a letter from Sheila McDade. I am going to read from it because it deals with a go-kart tragedy. She recalls the lecturing by the parents of the children, the lecturing that came from home and parents. They received cautions about, for instance: "Be sure you know where the brake is. Do not go too fast." They all gathered together at her house to await the rest of the group. She indicates she can still see the smiling, happy faces of the children as the car pulled out of the driveway to go to the go-kart race track. Little did she know that all the parents' caution had been misdirected, because none was aware where the true danger lay.

This is a factual situation. She relates this about the last lap and a little girl by the name of Becky: "Her hands flew to her head and her go-kart ran into the centre of the field. Her beautiful, waist-length, blond hair, which had never been cut since her birth and which had been done up in one long pony tail down her back, was tightly wound up in the motor of the go-kart, her head pinned against the motor in the back, and her scalp lifted with the pressure.

"The employees at the track did not appear to be trained to handle an emergency such as this one and so, until the prompt arrival of the ambulance attendants, only the parents in her group, along with a very capable lady passerby, were left to try and cope with and offer assistance in this nightmarish situation." It is something she is sure will live in their minds for a very long time to come.

Miss McDade goes on to indicate that this young girl, Becky, who was an incredibly brave little girl, "was conscious throughout this whole incident for the approximately 15 minutes it took to extricate her from the machine, then to transfer her to the hospital. At this point, it was felt her injuries might necessitate her transfer to Kingston for a consultation with the surgeon, and then she finally got to sleep through another hour and a half of surgery. She was so proud of her hair. She realized it had been cut, but she had no idea of the extent of her injuries." Miss McDade indicates, "What a needless tragedy in the life of a bright and pretty 10 1/2-year-old little girl."

She goes on: "To be forewarned is to be forearmed. Think about it. If only we had known, this whole thing would never have happened and she could have continued to enjoy the rest of her day with her friends. Because we could not even imagine the possibilities of anything like this happening, we have all paid a high price for our new-found knowledge."

4:30 p.m.

I remind the members that we are talking about, for the most part, untold tragedy happening to children. There was that one-hour-and-a-half operation, but that does not indicate the many days, weeks and months of further operations that one has to go through, and there is the psychological damage one might have.

To the minister and his staff, it is time to compliment and applaud the action taken in such a very short time and to indicate that just last summer, a young girl in my riding of Mississauga North was the victim of a similar go-kart accident.

These accidents are not unique to one particular person. They continue. We cannot undo what has already occurred but, by this legislation and by the action of this minister, we can ensure as best as possible that amusement-ride and go-kart tragedies of the past shall not happen in the future.

Mr. J. M. Johnson: I rise to support Bill 97 and compliment the minister on a good piece of legislation. I point out that when the government drafts good legislation, it will receive the support of this side of the House as well.

Dr. Elgie, the former Minister of Consumer and Commercial Relations, in a memo dated February 26, 1985, was in the process of drafting similar legislation, so it has been in the process of coming to light for some time. I would like to go back even further than that and suggest it is very similar to a bill introduced by my good friend and former colleague, the former member for Middlesex, Bob Eaton. He introduced legislation that was entitled at that time, Bill 159, An Act respecting the Licensing and Inspection of Amusement Rides in Ontario. It was introduced on a Thursday afternoon in private members' hour and received the unanimous support of the House.

For the information of the House and the record, I would like to read the explanatory notes to Bill 159.

"The purpose of the bill is to provide for the licensing and inspection of amusement rides in Ontario. The bill requires that all amusement rides be licensed. A director, appointed under the act, is given the authority to revoke the licence for an amusement ride that does not comply with this act. The act provides for inspectors and specifies that the inspectors must apply the midway safety code when conducting their inspections. It is an offence under the act to operate an amusement ride that is not licensed or that is unsafe, or to cause or permit an amusement ride to be operated in an unsafe manner."

That was debated in private members' hour and it shows the power the members, as individuals, have to change and enact legislation that is beneficial to all Ontarians. It was, as I mentioned, supported by all three parties in the House. Bill 97 comes very close to duplicating this bill and is one I very strongly support. On a personal note, I had the honour to second that bill and also to speak in support of it, so I feel quite personally involved with this legislation.

In my riding, which is a rural riding, I have 21 municipalities and many of them have fall fairs. Approximately 12 fall fairs are held on an annual basis in and adjacent to my riding, and nearly all these fall fairs rely very heavily on the amusement rides to attract people to the fair. It is totally unacceptable that very small children and people who do not have the knowledge to make an intelligent decision about whether a ride is safe should be put in jeopardy because we do not have an inspection.

I support very strongly the principle that we should have inspectors. I was disturbed that we had to rely on local municipalities to provide the inspectors because, quite frankly, very few of the small municipalities can provide an inspector for just a few days a year and that is basically what would be required. The expertise to be able to determine whether a ride is safe would not be available in many instances and, therefore, children or people making use of the rides would be in jeopardy. I support the concept that it

should be provincial government inspectors who certify whether that ride is safe.

One of the members indicated earlier there was a question of whether the ride should be allowed to carry on if there is any question of safety. I am not sure that was quite the wording, but I do not think we should take any chance whatsoever. If a ride is not considered safe by an inspector, under no circumstances should it be allowed to have a licence.

Concern was expressed about liability insurance. While I am mainly concerned with the safety aspects, I certainly would go along with an amendment for liability insurance if the minister could accept it. I leave it to his discretion.

I have only a couple of other comments to make. I would like to take the opportunity to refer back to Bill 159, presented by Robert Eaton. I would like to mention that, in the debate, it was pointed out: "I firmly believe legislation is needed to ensure that the people, especially the younger children who frequent these amusement rides, are protected, and that someone has inspected the rides, assumed the responsibility of certifying them safe and has so indicated."

A comparison could be made to elevators. The majority of us take the safety of elevators for granted. When we step into an elevator we have complete confidence it is safe, that someone has inspected it and certified it is so. It should be the same with amusement rides.

We owe it to the children of this province to provide that same degree of safety, and to the parents to provide that same degree of security. We can achieve that through this bill before us today. I would like the minister to know he has my support and, I am sure, the support of our caucus.

Mr. Barlow: I would like to speak very briefly on this bill. I really had not intended to do so, but it coincided with a letter that recently came into my office from a local amusement operator, Blade and Homeniuk Amusement Rides. He raised several concerns and questions on what, at the time, was an impending bill. He had been briefed by a member of your staff, Mr. Speaker, that this was going to be happening.

One of his concerns is the question of the experience of the licenced inspectors; whether they had been duly qualified and had the right information at hand for the inspection of the various rides they would be looking into and trying to address to make sure they were safe.

I must say, I do not have a big concern about the introduction of this bill, which I basically support. There may be some way the government could achieve a better insurance rate in that industry if everyone, including the insurance company, knows the rides are totally safe. It may be able to affect, in a positive way, the insurance rates they are paying for the liability.

There are several questions these operators are asking. I told them that, in the normal course of events, I would write the minister and ask him to respond. In fact, I should put them on the record today and in his response, maybe the minister can address these particular questions.

4:40 p.m.

There are four of them:

"1. The cost of registering or licensing each ride before it operates in Ontario and the delays that may be caused if a ride is purchased or contracted from out of the province. If it is a late replacement for any reason or delivery has been delayed and speed is of the essence for fulfilling a fair date, can the procedure be completed in a few hours or over a weekend?"–that is, the inspection procedure. "Will this procedure being done during irregular hours provide a further expense?

"2. The cost of each inspection has been estimated at $25 for a child's ride and from $100 up for an adult or a major ride. It is further suggested that there would be two such inspections each year. If an inspector deems it necessary to make return checks on equipment to confirm any directives have been completed, will additional charges be levied? Once again, if this is done during irregular hours, will this incur a further expense?

"3. Some municipalities already have inspection procedures for mobile carnival operations and some 'user fees' are charged. It is not clear whether these will continue or be waived if a provincial inspection system is operating." I think the minister has already answered that.

"4. Will these inspections be carried out by qualified and experienced inspectors who are knowledgeable with the ride industry?"

I leave those questions with the minister. Perhaps he can address them in his response.

Hon. Mr. Kwinter: I thank all members who participated in this debate for what I gather is their unanimous support for the bill.

I do not want to take credit for the bill. I think it is an act whose time has come. It is something we absolutely require for a very special reason. No death, no accident is acceptable to anybody. However, when a young child goes to an amusement ride, a fair or an exhibition, if one has ever seen a young child with his wide eyes, his amazement and his anticipation of the fun he is going to have, to have that turn into a tragedy, not

only for the child but also for his family, when it is such an elective and supposedly happy procedure, is something that, if any death can be categorized, is probably the most difficult to come to terms with, because for the rest of one's life as a parent, a sister or a brother one ponders why this thing had to happen.

It is important that we take the actions we are contemplating today to see whether we can minimize that risk. As I noted, I do not take any particular pleasure in saying I brought this forward; it is something we collectively are bringing forward. It is something we should do, and I am delighted this House has that sense.

I would like to address some of the questions that were raised by members in the debate.

The member for Leeds (Mr. Runciman) correctly pointed out the danger of the economic effects of the act on small operators and fairs. We feel that if they are operating in a businesslike way and maintaining their equipment, the economic effect will be minimal. There is no reason this should cause any great economic hardship, and I can assure the honourable member we will be monitoring the situation closely. This bill will be followed to make sure that it is effective and that the things being done under its mandate will be reasonable but will also provide a degree of safety for the consumers and the public of Ontario.

I thank the member for Welland-Thorold (Mr. Swart) for his support. I agree with him that the Municipal Act does make provisions for amusement rides; however, they are not effective. There is no doubt that with this new act, we should be able to get some uniformity of inspection. We should also be able to get experienced people doing it, which will be a very welcome addition to the industry.

I also point out to the honourable member that this act and its implementation are going to cost the citizens of Ontario money. We are going to be charging people, but it is not going to be 100 per cent cost recovery. Our estimate varies depending on the time of the year, but we are looking at a cost of about $400,000 a year. That is a cost our government feels is worth while. It will provide competent technical people able to go in and do a professional job.

One of the things I noted in talking to other jurisdictions was that some of them felt, although they have legislation, it is in many cases just lipservice. The legislation is there, but it is honoured sometimes more in the breach than in the execution. That is not going to happen in Ontario. The people in our technical standards division are going to be trained in their usual way, as when they service elevators or ski lifts, and know what they are doing. They will have specific training as far as amusement devices are concerned, and I am satisfied they will provide a good, professional service.

I want to address some other concerns raised by the member. He talked about clause 17(1)(n) and the exemption. I assure him that exemption is not meant in any way to be a cop-out, to abdicate our responsibility. It is a good, prudent legislative statement in case there is some area where there is dispute about whether a device is an amusement device.

Where there is a grey area, we would like to have the discretion, from a legal point of view, to make that determination and say, "Yes, that is an amusement device under the act," or "No, it is not." Whatever man can devise, who knows what is liable to come up tomorrow or next week? That clause is not meant in any other way than to provide a mechanism in the act to deal with that kind of situation.

I appreciate the member saying that although he is not thrilled with that provision, he is not prepared to move an amendment. I welcome that, and I hope my explanation satisfies him.

The member also wanted a commitment from me that I would implement the Canadian Standards Association's safety code for amusement rides, Z267-M1983. I can tell him without any hesitation that we will, and it will be a part of our process. We may have to modify it because it may not apply to certain things, but the thrust and intent of that safety code will make up the basis for our inspections.

He also mentioned inspections. I hope I have touched on that to his satisfaction. They will be comprehensive, thorough, professional and comparable to those done under the Elevating Devices Act. They will be done on a spot-check basis. The devices will be inspected regularly and will be dealt with in a proper manner.

4:50 p.m.

Another concern the member raised, one we have no trouble with, was that the sections of the Municipal Act that govern amusement rides will be repealed. I have met with the Association of Municipalities of Ontario, which is delighted to have this legislation. They are very supportive of it. We have also got agreement from them as to how we can enforce it; that is something I can assure him will be done.

With respect to his last item of concern, the insurance liability, I want to assure him that when I was going over the briefing for the

presentation of this bill, the thing we spent the most time on was liability insurance. Members on all sides of the House will appreciate that I have a particular sensitivity to liability insurance at this time and, as a result, it was not something we overlooked. It was a conscious decision that, rather than put it in the act, we would put it in the regulations.

Having said that, I have no quarrel or objection to the act being amended to reflect the necessity for liability insurance. It will be a part of the act. I assume the members of my legal staff have worked out with the member an amendment that is acceptable. When we go to committee of the whole, as I hope we will, I will be delighted to entertain that amendment.

I want to speak briefly to the comments made by the member for Wellington-Dufferin-Peel (Mr. J. M. Johnson); I thank him for his support and welcome his reference to Bill 159. As I said earlier, I have no pride of authorship. I am delighted to be in a position to bring this bill forward; it is the result of an accumulation of concerns that have been expressed by all parties, and I welcome that. I hope this bill will acknowledge that. I have no problem with that at all.

I also agree with him about the problem of provision for nonoperation if a ride is not certified. That will be in the regulations; if the device has any mechanical failure or is found to be in an unsafe condition, it will not be put back into service until it has been certified by a competent inspector.

I have already addressed the matter of liability insurance. It is obvious that any operator of one of these devices should have insurance. If he feels he cannot, that is all the more reason why we should make sure he has it. I have no problem with having it included in the act.

Last, I want to address the comments of the member for Cambridge (Mr. Barlow) and acknowledge the letter from Blade and Homeniuk Amusements. It raises four questions, and I hope I have addressed all of them.

One, I want to assure the honourable member that our inspectors will be qualified. There is no question about that. They will be highly trained. They will have all the necessary equipment and expertise to do their jobs, and that is a given.

As to whether these inspections will be done at times convenient to the operators, I can assure the member we recognize this is a rather unsual business. It is a transient business; it travels here and there from time to time. We will make every effort to accommodate operators, understanding there are limitations on our manpower and their locations. Whenever possible, we will try to accommodate them, understanding the problems they have in their industry.

To address another question, about whether there will be many visits by inspectors, I can assure the member that the only visits the inspectors will make will be if they identify a problem. If they are required to go back several times in succession, that means there is a problem. That is the whole reason for the act and that is what they will do.

The other point, and I have already touched on it, is that the provincial legislation will supersede all others and make any municipal regulations redundant.

With respect to one of the last concerns, whether the people who will be doing the inspections will be qualified, I have touched on that and assured everybody in the House that these people will be highly qualified and competent.

I hope I have addressed all the concerns expressed. We have unanimous consent on the bill, subject to the amendment, and I thank all the members who participated for their very valuable input.

Motion agreed to.

Bill ordered for committee of the whole House.

House in committee of the whole.

SCIENCE NORTH ACT

Consideration of Bill 95, An Act respecting Science North.

Sections 1 to 12, inclusive, agreed to.

On section 13:

Mr. Chairman: Hon. Ms. Munro moves that section 13 of the bill be struck out and the following substituted therefor:

"13. The board shall appoint one or more auditors licensed under the Public Accountancy Act to audit the accounts and transactions of the centre annually."

Hon. Ms. Munro: I articulated earlier the reasons for introducing such an amendment; they reflected some of the comments of members of the Legislature.

Mr. Grande: We have no problem with this amendment. I thank the minister for having brought it in at this time.

Motion agreed to.

Section 13, as amended, agreed to.

Sections 14 to 18, inclusive, agreed to.

Bill, as amended, ordered to be reported.

5 p.m.

AMUSEMENT DEVICES ACT

Consideration of Bill 97, An Act respecting Amusement Devices.

Sections 1 and 2 agreed to.

On section 3:

Mr. Chairman: Mr. Swart moves that section 3 of the bill be amended by adding thereto the following section:

"3a. Every person who carries on the business of operating amusement devices shall procure and maintain liability insurance in respect of the operation of the business in an amount not less than a prescribed amount."

Mr. Swart: I will not take up the time of the House in dealing with this. I apologize for not having it photocopied. I think the minister knows it was done quickly. I believe that the wording of it is as requested by the legal staff. I will not deal with the issue again. I think there is agreement to it and, therefore, I will let the vote be taken.

Mr. Bernier: As a matter of information, will the amount prescribed in that amendment be prescribed by regulation?

Hon. Mr. Kwinter: Clause 17(1)(o) will cover that.

Mr. J. M. Johnson: As a point of clarification, with the problems we are facing in the liability insurance sector today, are we creating a problem? As I mentioned earlier, I fully support the safety concept. I am a bit concerned about liability if we are going to have the problem we have in some other sectors. Does the minister have any indication what we are doing about the "prescribed amount" and how will it impact on the industry?

Hon. Mr. Kwinter: The problem is that any operator really should have insurance. What we are doing is saying that certain rides are less risky than others. It might not be reasonable or applicable to put in a provision that every operator must have X dollars of liability insurance.

We are going to make it by regulation and we will negotiate with the industry to come up with an amount that makes sense from its point of view and from our point of view. That is the main reason we did not include it initially in the act. We acknowledge that we have to have the insurance provision. I have no problem including it in the act as long as we leave the determination of the amount by regulation.

Motion agreed to.

Section 3, as amended, agreed to.

Sections 4 to 16, inclusive, agreed to.

On section 17:

Mr. Chairman: Mr. Swart moves that subsection 17(1) be amended by adding thereto the following clause:

"(o) prescribing for the purpose of section 3a the minimum amount of liability insurance that applies to any class or type of operation."

Mr. Swart: Again, I think it is agreed upon and I do not need to elaborate on it. I covered it, I hope, on second reading of the bill.

Motion agreed to.

Section 17, as amended, agreed to.

Sections 18 and 19 agreed to.

Bill, as amended, ordered to be reported.

On motion by Hon. Mr. Kwinter, the committee of the whole House reported two bills with certain amendments.

HEALTH CARE ACCESSIBILITY ACT

Hon. Mr. Elston moved second reading of Bill 94, An Act regulating the Amounts that Persons may charge for rendering Services that are Insured Services under the Health Insurance Act.

Hon. Mr. Elston: I rise today to open the debate on second reading of this bill, a very important one for the people of Ontario.

Last month, on December 19, I introduced in this House legislation to ban the practice of extra billing in Ontario. The new legislation, known by its short name as the Health Care Accessibility Act, provides for a complete ban on extra billing for all insured physician services, all insured dentistry services performed in hospitals and all insured optometry services. Under the proposed legislation, these services are to be provided to all Ontarians at Ontario health insurance plan rates.

When I introduced this bill, I said and I will repeat now that our government's intention is to preserve the principles of universality and accessibility in Ontario health care, two principles upon which our Canadian health care system is founded, but which, in this province, have been allowed to fall into jeopardy.

It is our government's intention to ensure that all patients have access to the physicians of their choice, that they are able to seek necessary health care free from any financial constraints and that, in receiving health care, they do not have to

discuss their financial circumstances with an attending physician. In this province, we do not need charity medicine–

Mr. Bernier: The member for York Mills (Miss Stephenson) had to leave, she is so disgusted.

Mr. Martel: She left in a snit.

Hon. Mr. Elston: I cannot help but believe that particular physician does not wish to negotiate and talk about the practice of extra billing.

Mr. McClellan: She invented extra billing; she invented opting out.

5:10 p.m.

Hon. Mr. Elston: In fairness to the member for York Mills, who just vacated the House, I presume she knows a great deal about the issue and is probably going out now to consult her journals on some items she may wish to contribute to this debate at a later time. I am sure she will join in the debate wholeheartedly at a later time. Perhaps in making responses to this legislation, which is designed to protect the people and patients of this province, she may even provide a letter to be read in this House by the member for Cochrane South (Mr. Pope), who on past occasions has shown a certain ability to read at length in this House in trying to contribute to debate.

In this province we do not need charity medicine and we do not want a health care system that provides one level of care for the rich and another for the poor. Some advocates of extra billing have claimed that since only five per cent of Ontario health insurance plan claims are extra billed, the issue is not a genuine problem and may therefore be politely overlooked.

I will respond to this fond belief by noting that 10 counties in this province account for more than 90 per cent of all physician extra billing charges. The fact is that if one is resident in Metropolitan Toronto or in York, Halton, Peel, Peterborough, Simcoe, Wellington, Waterloo, Middlesex or Ottawa-Carleton counties, one may well have difficulty finding a physician in a particular specialty who does not extra bill. It is this clustering phenomenon, as it has been called, that constitutes the problem that our proposed legislation addresses.

It is my personal belief that because physician health care services are both essential and necessary to personal health and wellbeing, we have a responsibility to see that those services are accessible to everyone. In Canada we have chosen to guarantee that accessibility through a publicly funded, publicly administered health care system. I also believe that, in the best traditions of their profession, physicians have a moral responsibility to support this national decision and to work co-operatively so that the system functions effectively and maximum health care benefits are realized.

The recent action taken by some physicians in the Timmins area to opt out of OHIP and to bill their patients directly is not a contravention of our proposed legislation. The spirit in which the action was taken, however, may be open to question. My primary concern is that health care for the people of Timmins not be adversely affected, and I am monitoring the situation closely to see whether any deterioration in services is occurring or is likely to occur.

I can understand that the same professional opportunities will be taken by those physicians as have been taken in the past. I know that honourable member will probably be willing to advise me accordingly at any moment when he sees that patient care is in jeopardy so that the necessary action can be taken. I am sure he will co-operate with me to help monitor that situation.

I do not expect that physicians in this province will oppose the proposed legislation by taking actions that will deliberately affect the quality of patient care in a negative way. I believe the vast majority of doctors recognize their important health care responsibility and are ready to maintain that professional commitment.

I would point out that in preparing the extra billing legislation I asked the Ontario Medical Association to present its views and opinions to me. The OMA refused to enter into discussions. It was because of this refusal that a series of public information forums was then held throughout the province.

I can tell members at this point that my public deliberations on putting together this legislation were not limited to only those forums. I had a number of meetings with very interested groups, including, for instance, a physician who serves my riding, Dr. Couchie, who made some recommendations. He tried to indicate his clear concern with the practice of extra billing. He was an extra billing physician, and I make no apologies for the fact that I met him and talked to him about the options available and about some of the suggestions that were made available to us.

Dr. Couchie is but one example, and he was written up in an Ontario medical newspaper. I make no apologies for having spoken with him and with other physicians who hold similar views. I have spoken with physicians who held

the opposing view; namely, that extra billing should be banned.

I have cast around the province for all kinds of input on this legislation and, as you see, Mr. Speaker, our work has culminated in the presentation for first reading and now second reading of Bill 94.

The meetings were organized to give people an opportunity to find out the facts about extra billing–these were the forums that were organized in nine centres across the province–and to provide an opportunity for public interest groups and concerned citizens to express their opinions about it. We heard from a variety of people, from local physicians' associations, nurses, hospitals, senior citizens' groups, health care organizations and private citizens. The intention to ban extra billing had the solid support of the great majority of the participants.

My invitation for discussion and negotiation about this legislation still stands. I have pointed out on many occasions that when the bill is examined by a committee of this Legislature, I expect health care consumer and provider groups, as well as public interest associations and concerned citizens, to bring their responses so that we can frame legislation to meet this province's health care needs.

Let me make it clear again that it is the intention this bill will go to a committee of the Legislature. We must underline that, bearing in mind that sometimes it takes repetition, in fact several times, so that people understand. This will go to committee to be discussed by people who are interested in helping us frame the legislation in the best interests of Ontario.

Regarding the issue of physician compensation and the mechanism for providing it, my invitation to the Ontario Medical Association also stands. I am ready to discuss and negotiate the matter fairly and equitably. I therefore expect that when the bill is before the committee, the OMA will accept this invitation for the benefit of the profession and the people of the province.

It is time to get on with the important discussion on the principle of Bill 94 on second reading in the House. I look forward to the presentations of the members on the opposite side.

Mr. Pope: Now, where was I in December?

Mr. McClellan: That was on a different bill.

Mr. Pope: Was that a different one? I miss the member for Brampton (Mr. Callahan). Perhaps he will be here in the evening session.

Mr. Martel: Who? Grossman?

Mr. Pope: The member for Brampton who had so much to say last time and kept the discussion going for so long.

I am glad the Minister of Health (Mr. Elston) indicated that I was wont to discuss things for an extended period of time. I spoke on one occasion on the pharmacy bills for a period of two and a half hours to put the concerns of some of the professionals, the pharmacists, on that legislation. I was going to have put on the record the concerns of some of the consumer interests as well.

That speech of two and a half hours in length seems to have mesmerized the minister with respect to debating legislation in this Legislature. I remind him there are some members of his party in the House today, and some members of the third party, who have spoken for seven, eight and nine hours on legislation in the recent past.

Mr. McClellan: Thirteen hours.

Mr. Pope: Was 13 the record? There is nothing unusual about a discussion that takes two and a half hours. I know my friend the parliamentary assistant agrees with that.

The minister made the point in his opening remarks that he had to repeat that there were going to be committee hearings in case there was any misunderstanding. He knows full well about the discussions that took place with respect to Bills 54 and 55 and our attempt to get wide-open, unlimited committee hearings. It was not until we continued to talk in this House that he was prepared to allow democracy to prevail and allow the professionals of this province to have their say in committee with respect to Bills 54 and 55.

5:20 p.m.

His apologists were on his side all the way and are still on his side. I would like to talk to the member for Bellwoods (Mr. McClellan) for a while about that other world he is wont to refer to, the world of the patients who see one of the best health care systems in North America and who are concerned that services continue to be operated by caring professionals who want to be involved in the system.

I am talking about the real world of doctors who see patients in their offices and in hospitals every day. I am talking about the real world of pharmacists who operate their pharmacies and deal with senior citizens every day. That is the real world that the member and his colleagues in the Liberal Party seem to forget about in their mad rush towards an ideology with respect to health care in this province.

Mr. McClellan: The Tories were not in any rush. They did nothing in the last five years.

Mr. Pope: We built up one of the best health care systems in North America, my friend. It is the envy of every other jurisdiction in North America.

Interjections.

Mr. Speaker: Order. Perhaps the member would address the chair on Bill 94, please.

Mr. Pope: You are quite right, Mr. Speaker. I am sorry.

Even his colleague the Minister of Health (Mr. Elston) will tell the member that the people of this province believe we have one of the best health care systems. They are immensely satisfied. They do want to see some improvements and we are going to talk about them, but they recognize this as one of the best health care systems in North America. They do not want the likes of the member tinkering with a very good health care system that is providing service to the people of this province.

They do not want this negotiated through the Globe and Mail every week. They want the health care system to work because they recognize it is a good system. They want everyone to work at improving it but they feel it is one of the best health care systems in North America and they are all proud of it.

We all have an obligation to recognize that fact and to try to work together in a co-operative way with the professionals, with the private sector; working together, not shutting them off from negotiations because they do not adopt the member's preconceived notions of the conclusions he wants. They want an open-door policy where the professionals, the patients, the people of this province all have a right to have their say and to talk to the Minister of Health.

We talked about Bills 54 and 55, of which the member is so proud. The truth came out in this Legislature and in the committee meetings of this Legislature, in which the member was not involved so he does not know what was going on, which is nothing new for him. We talked about this consultation process with respect to Bills 54 and 55. The ultimate conclusion we came to was that there had been no negotiations. There had only been discussions through press conferences and press releases and only one meeting with the pharmacists on the day the bill was being introduced.

When all is said and done, when we cut through the rhetoric of the Minister of Health, that is the reality of the negotiations that went on with respect to the pharmacists and the Ontario College of Pharmacists in this province. When one cuts through all the nice rhetoric this minister is wont to throw in, that is what we get.

We have a similar situation with respect to discussion on this bill. We heard all sorts of nice rhetoric in the estimates on the morning of Wednesday, November 27, from the Minister of Health. He talked about the fact that he had tried to have discussions with the Ontario Medical Association and with different health professionals throughout this province on this legislation.

That is what he said on the morning of Wednesday, November 27. If the date is wrong, I apologize. I will find it right here. I do not want to be incorrect. Yes, it was on the morning of November 27, 1985, in the estimates of the Ministry of Health that the minister talked about his relationship with the OMA.

I do not want to quote extensively from this document because I heard the ruling with respect to Bills 54 and 55, but I think it is important at least to refer to it. I have only the Instant Hansard. I do not know the citation for the official Hansard, but it is on pages 21, 22 and 23 of the Instant Hansard.

This minister indicated that on numerous occasions there had been some talk about extra billing but no negotiations. He said that publicly and privately the OMA was saying it would not talk about it from the standpoint of negotiating an end to extra billing because it did not want to negotiate an elimination of that right.

We have had only one meeting with the Ontario Medical Association, just to calm the concerns of the third party which is wont to attribute all sorts of special interest to everybody in this House. That meeting in December was to get its point of view. What it says is not quite on all fours.

The discussion that members of our caucus had with the Ontario Medical Association told us a slightly different story from what we heard on the morning of November 27 in the estimates of the Ministry of Health. The Ontario Medical Association says it met with both the Premier (Mr. Peterson) and the Minister of Health. It says that at these meetings it emphasized the need for restructuring of the health care system in the province, taking into consideration future increases and demand on resources in the context of a nonexpanding resource base.

It also discussed how the financially disadvantaged might be protected within the health care system. I use that reference about its concern for protecting the financially disadvantaged in the existing health care system. That is a subject it

raised with the Minister of Health and the Premier in its meetings with them.

I put that in the context of the statement of the minister when he moved second reading of this bill. He said he did not want to see a two-tier health care system in this province, one for the financially disadvantaged and another for the so-called rich, as if that goal is somehow different from the goals that all of us in this House share; as if that was somehow different from the concerns of caring professionals who are practising medicine in this provice; as if somehow he alone had that concern and he alone had the answer to resolve that concern and that the professionals had no role to play in that resolution.

It is the same attitude towards the pharmacists. Somehow they have no role to play in the resolving of the issue of drug costs in this province. Somehow they should be kept out of it. It is his right, as the Minister of Health, to dictate the settlements and he will let them know, when he introduces the legislation, exactly what they are going to be.

I reiterate, we have one of the best health care systems in North America. It is the envy of many other jurisdictions. It was built carefully over decades of co-operation, listening and protracted negotiation, with mutual respect for its participants and the professionalism of those people, and with emphasis on the quality of care their professionalism dictates be provided to the people of this province. That is the kind of understanding, commitment, tolerance and development that we have seen in the health care system of this province.

Mr. McClellan: Why did we have a strike with Larry as Minister of Health?

Mr. Pope: It was always done through negotiation. Yes, there were differences and disputes.

Mr. McClellan: There was a doctors' strike.

Mr. Pope: It was resolved. There were discussions with the OMA. This minister has yet to engage in those discussions. It is his precondition that his solutions will be dictated and that is the end of it. That is not how we handled it. That is not how one builds one of the best health care systems in North America. We still have to rely upon caring professionals in this province.

Mr. McClellan: Ask the doctors what they think.

Mr. Pope: I know the ideology of the member for Bellwoods is complete state control, but we still have a system in this province that requires caring professionals, individuals with a commitment to quality of care. That, also, has to be put into the mix. That is something the members of the third party will never understand, honour or commit themselves to even though they told the pharmacists privately they acknowledged that caring professionals have a role. They did not say that in the debate of Bills 54 and 55. They put it in a letter to the pharmacists but they did not put it on the record here.

5:30 p.m.

Mr. Breaugh: The member did not listen. He was not here.

Interjection.

Mr. Pope: The member is wrong. Right country, wrong place.

Where was I? I was talking about the fundamental importance to the quality of the health care system in this province, not only with respect to the involvement of the Ontario health insurance plan system and the Ontario drug benefit plan, but also with respect to the role of individual professionals who understand their professional obligations.

In the context of those professional obligations and the context of caring, of a deep, personal concern for their patients, they want to make sure they get a high quality of care at a cost they can afford. In that context, let us work with those caring professionals and their associations, and let us resolve the issues of accessibility and universality that concern all of us.

The minister should not anoint himself as the only spokesman with the only answer. Look to the other groups in society. Go out to that other world the member for Bellwoods talks about from time to time, where patients are concerned about their relationship with their doctors and druggists and want to continue that ongoing personal relationship in the context of caring professionalism, something the member for Bellwoods may not understand. However, I know the parliamentary assistant to the Minister of Health, the member for Wentworth North (Mr. Ward), does. It is in that context we have to address the issue of this bill.

There is some concern. In discussing its meetings with the Minister of Health and the Premier, the Ontario Medical Association indicated that in the course of the meetings with the government, in discussions on extra billing–discussions which, on November 27, the Minister of Health told us did not take place–there was no mention, it was not even put on the table, of any negotiation of fee increases across the board or of certain specialty services that have led to the

accessibility and universality concerns shared by all members of this Legislature.

Of course, this minister does not believe the Ontario Medical Association's concerns about the interchangeability of drugs and its potential impact on the health of the people of this province, so why would he believe the association's representatives when they say that in the context of the discussion of extra billing, there should be some discussion of fees? Of course, that never came through on November 27 in the estimates of the Ministry of Health. The meeting could have been held after that. I am not aware of the time of it, but I do not think it was.

There was no mention that fees would be increased as a means of compensating the doctors.

Mr. Shymko: Where is the minister?

Mr. Pope: No, it is okay.

Mr. Breaugh: Speaking of state control, the member for High Park-Swansea (Mr. Shymko) is here.

Mr. Andrewes: Now, now.

Mr. Pope: The Ontario Medical Association was invited to enter into the process of dealing with the extra billing issue. Its people were invited to make comment in those meetings–the ones we were not told about on November 27–but only if they accepted its abolition as a foregone conclusion. If they did not accept that, there was to be no negotiation, no discussion.

Though the minister told us on November 27 that it was the OMA that was setting arbitrary conditions on the discussions and therefore there were no negotiations, the Ontario Medical Association tells a very different story. It says the Minister of the Health and the Premier set the preconditions for negotiations such that they could not take place. Maybe the Minister of Health would clarify that later in the evening. I see the parliamentary assistant is writing notes on this and will be bringing it to his attention.

The Ontario Medical Association says further, because it refused to accept the banning of extra billing, it was not invited to participate in the drafting of legislation to be tabled on the December 19. In other words, it was told, "Accept the foregone conclusion or no negotiation, no participation." I venture to say the same attitude dictated the events of November 7 with respect to the Ontario Pharmacists' Association and the Ontario College of Pharmacists. I just say with respect that is not how one builds one of the best health care systems in North America. One gets them into the room, understands their points of view, even if one disagrees, and tries to get them to negotiate as many other issues as possible.

We heard from the minister today that he is not engaged in any negotiations, even at this date, with respect to the fee schedule for this year; that he is not engaged in any negotiations to date with respect to some of the OHIP fee items that have led to the problems of accessibility with respect to certain specialities in certain parts of the province. He is not going to involve himself in that; he is going to dictate his solution with respect to his perception of the problem.

There is a general section in the bill, section 3, that says the minister will try to arrive at some mechanism. It does not lay out the mechanism; there is no guarantee of a mechanism for the doctors of this province, who happen to be fairly important carriers of the health care system in this province. There is no mechanism at all to give them some input into the fee discussions. The matter has not been resolved; it has been legislated, but on a doctor-by-doctor basis it has not been resolved.

What we need is a resolution of the universality and accessibility issues. That has to be our goal; and we do it through negotiations, the same way we created one of the best health care systems in North America.

The minister says the actions of the Timmins' doctors will be monitored. First of all, he does not indicate how on earth he could ever monitor their activities. If they are not opted in, how is he going to monitor the patient-doctor relationship? Is he going to have ministry employees in every doctor's office in Timmins? Is that going to spread throughout the province? How is he going to monitor the relationship?

Mr. Shymko: Send the New Democratic Party, probably.

Mr. Breaugh: The member for High Park-Swansea would be good at that. State control, fascism; give him a little rubber stamp.

Mr. Pope: Are we talking about the rubber bacon that the member for Oshawa eats every second week or so down at the hotel in Toronto when he is setting the agenda?

Mr. Breaugh: No, we are not.

Mr. Pope: I see.

Mr. Stevenson: He will send out the four Liberals who happen to be in the House right now listening to this important debate to monitor the situation.

The Acting Speaker (Mr. Morin): Order.

Mr. Pope: Here we have the front page of the Globe and Mail, Mr. Speaker. I will not quote from it, because I know you are concerned about that practice. Timmins made the front page of the Globe and Mail yesterday for the first time in living memory. They also charge more to buy the Globe and Mail in Timmins than they do in Toronto, but they always support equality of service across the province.

Mr. Breaugh: Certainly. Why should that surprise the member?

Mr. Pope: Tell me about it.

On Monday, January 13, 1986, Timmins made the front page of the Globe and Mail: "Doctors in Timmins to Opt Out of OHIP." There was a statement by Dr. Gordon Hall, president of the Porcupine District Medical Society. They voted "to opt out of the Ontario health insurance plan to protest against proposed provincial legislation that would ban extra billing by doctors."

We are talking about doctors who do not extra bill, not one of them. Stuart Smith came to Timmins in 1981 and said extra billing was a problem in Timmins, to the general mirth and delight of all the medical community there who knew that not one of them extra billed. They are all opted in.

Mr. Breaugh: Not one of the patients from Timmins ever comes to a Toronto hospital.

Mr. Pope: Oh, is that right? Tell me about it.

Mr. McClellan: That member should tell us about it.

Mr. Pope: I thought those fellows knew everything about the health care system. They are dictating what the government is going to do.

Mr. D. S. Cooke: Thanks. We take credit for it.

Mr. Pope: I know that party does. I have seen their mail.

Mr. Breaugh: The member reads our mail too?

Mr. Pope: Yes. Every day.

Christie McLaren writes this article–

Interjections.

Mr. Andrewes: He is on that party's list.

Mr. Pope: Freedom of information. Did the members not know about that? They are in favour of that too.

Mr. Philip: We saw their freedom of information.

Mr. Pope: Yes? That is good.

The Acting Speaker: Order.

5:40 p.m.

Mr. Pope: Talking about fascism reminds me of a discussion we had about the role of professionals. I noticed there was a columnist for the Globe and Mail who took great delight in stating the government of this province is tweaking the noses of the pharmacists, is tweaking the noses of the doctors, is tweaking the noses of the lawyers, is tweaking the noses of the judges.

There is great delight in an attack on the professions as was stated, not by me but in the column.

I remind the people that the professionals in the health care system are the primary deliverers of quality professional care. Tweaking their noses may satisfy the predispositions, ideological or otherwise, of one or of two of the parties in this House, but what does it do to improve the quality of health care in this province? One needs the co-operation of the caring professionals. One has to work with them. That is the whole point.

We now have doctors who never extra billed in their lives opting out in protest against this legislation and the way in which the Minister of Health has carried on discussions with the doctors of this province. The Ontario Medical Association and the pharmacists feel the same way about it.

Mr. D. S. Cooke: They will not discuss it.

Mr. Pope: They will not discuss it? I put the Ontario Medical Association's point of view on the record. The member will not believe the OMA because that would not jibe with his predisposition. However, the OMA put on the record its attempts to discuss this matter with the government and the fact that those attempts failed. I know the member does not want to admit that.

We have all these doctors opting out of the Ontario health insurance plan in my community, and this minister says he is going to monitor it. We all know that is a bunch of hooey. He is not going to be able to monitor doctor-patient relationships. He has no guarantee about the quality of doctor-patient care in Timmins.

He says sarcastically, "Of course, the local member will keep me apprised of the concerns he may have." I talked to the Minister of Health about the situation in Timmins. He should save his sarcasm for talking about the reality of the relationship and the concerns of members about health care throughout the province, and should never mind the song and dance he is so wont to give us in committee and in the Legislature.

What is the response of the Premier to this decision to opt out of OHIP? According to the Toronto Sun this morning on page 16–

Mr. Wildman: Do they sell the Sun in Timmins?

Mr. Pope: We get the Sun a day late and there is a surcharge on it, but they are in favour of equal cost right across the province.

Mr. McClellan: They support the Conservatives.

Mr. Pope: No, they do not. They support some of the Conservatives. I will not quote from this article at length.

Mr. Pollock: Go ahead.

Mr. Pope: Should I? It is only four paragraphs: The headline says, "Premier Unmoved by Docs' Protest." So much for the concern about the quality of health care in Timmins with the doctors opting out.

One of these doctors ran against me as a Liberal candidate in 1981. Another was his campaign manager. A third was his fund-raiser. We are not talking about a group of individuals who are dedicated and committed to my party or to me. They are not. As the member for Windsor-Riverside (Mr. D. S. Cooke) could tell the members–he has been there–they are not committed to my party or to me as the local member.

Mr. D. S. Cooke: In that respect, we give them credit.

Mr. Pope: In that respect, he agrees with them. This is not a partisan issue involving Progressive Conservatives. We are talking about a group of caring individuals who have a closer relationship to this government than to me.

Mr. Ward: They want to interact directly with their patients.

Mr. Pope: They want to interact directly with their patients, and they would love to interact directly with the Liberal Minister of Health, who was so friendly to them when he went up with the task force that presented On the Critical List: The Report of the Liberal Committee on Health Care in Ontario, but who now is nowhere to be seen when an issue such as this is confronting the doctors of that community.

That may be a great chuckle for the members of the Liberal Party, but they should explain to the doctors in Timmins who are their party supporters in the riding of Cochrane South why they ran to them in 1982 and 1983 to get their comments and ideas, which they have used in political speeches for the past three years, yet now they will not give them the time of day or talk to them when it comes to the matter of this legislation and their role in providing health care in the province. They should explain that to them. They should explain why the Premier says he is unmoved.

I want to quote further: "Premier David Peterson says he's 'not concerned at all' by the decision of Timmins area doctors to opt out of OHIP." I hope when the doctors of Timmins are meeting with the Premier tonight, as I understand they are–whether he will talk to them is another matter.

Mr. Ward: Protesting.

Mr. Pope: No, they are protesting because he will not meet with them. People have to pay $100 a person to talk to him tonight. That is the price to pay in Timmins tonight to talk to the Premier. That is why the doctors, the right-to-life people and the pharmacists are going to be protesting outside the Senator hotel.

The members of this government will not talk to the same people they were so happy to talk to three years ago. They have their own agenda set by a deal. No one else has any role to play in it; not the caring professionals, not us, no one else. They are going to do what they please the way they want to do it.

Mr. Shymko: Liberal democracy.

Mr. Pope: That is Liberal democracy. The Premier is not at all concerned in spite of the comments of the Minister of Health today that he was going to monitor the situation and if there were any problems he would bring them to his attention and resolve them. How he is going to do that he will not say, but he should tell us why he is so concerned when the Premier is not concerned about those professionals in the city of Timmins or about the role they play in delivering health care to my community and to the riding of Cochrane South.

I am sure the members of the third party join me in expressing some concern and some support for the doctors of Timmins who took the action of opting out of OHIP in protest against this legislation.

I am sure the members of the third party support the Porcupine medical association. Certainly Orval Turcotte, a national representative of the Canadian Union of Public Employees in Timmins, does. He says: "I do not see anything wrong with it. I support the doctors." I am sure the member for Algoma (Mr. Wildman) knows him well. I presume he is on all fours with Orval. He understands the reason for the doctors' action and he supports it. He understands this govern-

ment does not have a working relationship with the medical community of this province and he is anxious that it be re-established and supports those goals.

Mr. Wildman: Where are all the doctors?

Mr. D. S. Cooke: Yes, where are they?

Mr. Pope: Do the members want them here?

Mr. Breaugh: Yes.

Mr. Pope: Go and call them.

Mr. D. S. Cooke: We have been writing letters.

Mr. Pope: I know the member has been writing letters. He has been writing to the pharmacists too.

This has provoked a response. The member for Windsor-Riverside indicated there are no doctors in the gallery tonight, but there is at least one I know of.

Mr. D. S. Cooke: I did not say not one.

Mr. Pope: There is a doctor here today, but–

Mr. Wildman: Is there a doctor in the House?

Mr. Pope: Yes, there is.

Mr. Ward: Somebody is sick.

Mr. Pope: I will have lots of time to recover on my feet.

This has caused some concern and consternation. I know the parliamentary assistant has been receiving mail from people from across the province, not only doctors. As he did with the other bills, he has been reviewing the situation with the minister and making himself aware of the concerns of the people across the province. I think he is aware of the letter writing that has gone on to the Premier's office and to the Minister of Health's office.

There is one letter that I think is very important. My friend the member for Durham-York (Mr. Stevenson) brought this letter to my attention. The doctor felt he had to write to the member for Durham-York to put forward his point of view. In that letter to my colleague, which I am going to read, he enclosed a letter he has sent to all his patients:

"Dear Ross:

"Please find enclosed a letter which I am handing out to all of my patients over the next few months while the proposed legislation is being debated at Queen's Park. As you may or may not know, I have served as a consultant at the Uxbridge Cottage Hospital since 1968 and billed the OMA tariff on occasion, particularly for large surgical procedures when I have to make special trips back to the Uxbridge hospital to care for these patients post-operatively. It simply would not be feasible to operate on them up there and conduct proper post-operative care at the present OHIP tariff.

5:50 p.m.

"You might be interested to know that if the proposed legislation is passed in its current form, I will certainly be resigning my post as consultant obstetrician at the Uxbridge Cottage Hospital, and unless they can find a suitable replacement, that will in effect close down the obstetrical department for anything but the most straightforward routine deliveries.

"This will in effect mean that any complicated obstetrical case will have to be transferred by ambulance either to Toronto or Oshawa. In other words, the legislation, rather than making free medical care equally accessible to all, will in effect do just the opposite for certain members of the Uxbridge community."

That is similar to the situation in other parts of the province. It is the case in my own community with respect to specialists.

I put on the record in estimates–I know the parliamentary assistant to the Ministry of Health, the member for Wentworth North was there and will recall this in great detail–the concerns of Dr. Frank Covington. He was a staff psychiatrist in Timmins–the only one engaged in a public practice north of North Bay–who felt, in terms of his relationship with the Ministry of Health and his view of where the health care system was going in this province, it would be wise to seek employment elsewhere. He now has gone to the United States, leaving our community with no psychiatrist in public practice north of North Bay.

Mr. Ward: Where is Dr. Covington from?

Mr. Pope: He is from the United States. Guess who got him up here and guess who sent him packing?

Mr. Ward: We did not.

Mr. Pope: The government certainly did. Do not give me that nonsense.

The Acting Speaker: This is not question period.

Mr. Ward: It has nothing to do with accessibility.

Mr. Pope: It certainly does have to do with accessibility as well as universality. As usual, I hope the parliamentary assistant will go back and review the facts surrounding Dr. Frank Covington and not the explanation we got in estimates. He should get the real explanation as to why Dr. Covington, the only public practice psychiatrist

north of North Bay, left that community, this province and this country.

Mr. Ward: How many are there in Timmins now?

Mr. Pope: How many has the government gotten since then? Vague promises of five; that is what it put on the record. Where are they now?

Mr. Ward: They are in Timmins.

Mr. Pope: Are they? Give me another one. That is exactly the same line as the Minister of Health saying the Ontario Medical Association refused to negotiate.

Mr. Ward: The member had better go back and talk to St. Mary's.

Mr. Pope: My friend should not worry. I talk to St. Mary's more than he does.

The Acting Speaker: Order.

Mr. Stevenson: Wait until the women of Uxbridge hear of his ideas of equal access.

Mr. Pope: The member thinks it is funny. He is laughing. He thinks it is funny that women in Uxbridge are being denied access to medical care. He thinks it is a big joke.

The Acting Speaker: Order. Please stick to the debate. Forget about the interjectors; address your remarks to me.

Mr. Pope: Talk to him. He is the one who thinks he knows everything about Timmins.

Mr. Ward: The member is just not in touch.

Mr. Pope: If my friend thinks that, he should come up to Cochrane South next time; we will see who is in touch and who is not. Come up any day. That may be just the challenge I need.

Mr. McClellan: He probably will be there for the by-election.

Mr. Pope: Nobody is running there. What is the member talking about?

Mr. McClellan: When is that?

Mr. Pope: The member knows my problem with dates.

Dr. Dale, a specialist in obstetrics and gynaecology in West Hill, Ontario, sent a letter to all his patients; and that is going to go on across this province.

I know the government is not concerned about this, but I happen to think it should be. It should be concerned about the fears of patients across the province that their quality health care system is going to be threatened by the chaos and confrontation this government is bent on introducing.

The government should be concerned about the fears of the people across this province. It does not matter whether they come from West Hill, Uxbridge or the riding of the parliamentary assistant, the government should be concerned about it.

The member for Wentworth North should not be laughing about the concerns of the women of Uxbridge and their quality–

Mr. Ward: I was not laughing about that.

Mr. Pope: Yes, he was. It was a great laugh over there. We happen to think it is a very serious issue when a professional who has provided quality care not only in his own community but also in other communities across this province sends a letter like this to his patients: "Murphy once said, 'Your rights, your liberties and even your life are in danger as long as the Legislature is in session.'"

Mr. Dean: Who said that?

Mr. Pope: I did not used to agree with him, but I am starting to.

"In the weeks and months to come, you and I may be facing some tough times together. Please forgive me if I do not have my usual smile and sense of humour. I am an opted-out physician and the government tells me that 70 per cent of you are against me. If so, how come I am so busy?

"Let me explain why I am so angry."

Mr. Wildman: There is a logical fallacy in that statement.

Mr. Pope: I know, but the member's logic, in comparison with that of this caring specialist who has done so much for Uxbridge and West Hill, is much superior. I know, because he is a member of the New Democratic Party, he has superior intellect, but this is a doctor who is very concerned. The member's friends in the Liberal Party agree with him, because the two parties are running the province now.

Mr. McClellan: Somebody has to provide the intellect for them.

Mr. Pope: That is not what he says over breakfast, so he should not give me this nonsense. He does not say that over breakfast. They have never told him that over breakfast either.

Interjections.

The Acting Speaker: Order.

Mr. Philip: The member is just angry because he does not have anybody intelligent to sit beside.

Mr. Pope: I certainly would not find somebody over at the end of that row.

"Let me explain why I am so angry. Historically, the professions were three: medicine, law and the priesthood. They looked after one's health, one's fortune and one's soul.

"In each case, they dealt with a fearfully consequential set of affairs. One's health is continually threatened by unknown dangers. One's affairs are at the mercy of the law, which seems infinitely mysterious." I know the member for Brant-Oxford-Norfolk (Mr. Nixon) will agree with that. "The fate of one's soul has been the source of endless anxiety. The three great historic professions attended to the central problems of the human animal. They have been called the three independent professions because they were free from control by any other part of society.

"In government's endless struggle to make everyone equal, to bring everyone down to one common level, there have been numerous attempts by politicians to slur the medical profession for their own political purposes. Does anyone in government know what it takes to perform a brain operation or a heart operation? Do they know the kind of skill it demands and the years of passionate, merciless, excruciating devotion that go to acquire that skill? That is what should never be placed at the disposal of men whose sole qualification to rule me is their capacity to spout the fraudulent generalities that get them elected. I cannot let them control my work, force my will, violate my conscience or stifle my mind.

"The proposed legislation put forward by your Minister of Health, Mr. Elston, penalizes any doctor who bills above the OHIP tariff. A fine of $10,000 or confiscation of a similar amount of property is proposed if a doctor is caught billing above the tariff. Mr. Elston has also publicly encouraged you, my patients, to turn in any doctor who bills above the OHIP tariff. Those of you who are my age cannot recall such punitive legislation against any law-abiding group of citizens since the days of Nazi Germany.

"More important, how may the proposed legislation affect you, the obstetrical patient? If the legislation passes, we obstetricians will likely choose to work in large groups, removing much of the personalized care you now receive. Conversely, many obstetricians may choose to act as consultants, coming into the picture only when problems arise. Current professional courtesies, such as free telephone advice, the filling out of unemployment insurance papers, long-distance telephone calls, etc., will all have to go by the board.

"I hope you will understand and bear with me in the coming difficult times ahead. If by chance you agree with my concerns, please let your provincial member of parliament or the Premier of Ontario know your feelings."

It is signed by William N. Dale.

The House recessed at 6 p.m.

CONTENTS

Tuesday, January 14, 1986

Oral questions

Bradley, Hon. J. J., Minister of the Environment:
Spray program, Mr. Rae, Mr. Laughren, Ms. Fish 3056
Curling, Hon. A., Minister of Housing:
Affordable housing, Mr. Gordon, Mr. McClellan 3058
Elston, Hon. M. J., Minister of Health:
Drug substitutes, Mr. Grossman, Mr. D. S. Cooke 3051
Extra billing, Mr. Pope, Mr. Rae 3054
Health appointments, Mr. Runciman 3055
Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy:
Spray program, Mr. Rae, Mr. Pope, Mr. Laughren 3053
Mine site, Mr. Laughren, Mr. Pope 3055
Spray program, Mr. Rae, Mr. Laughren, Ms. Fish 3058
Kwinter, Hon. M., Minister of Consumer and Commercial Relations:
Insurance rates, Mr. Grossman, Mr. Rae 3049
Pension funds, Mr. Rae, Mr. Grossman 3050
Wrye, Hon. W. M., Minister of Labour:
Public health nurses, Mr. McGuigan, Mr. Gillies, Mr. D. S. Cooke 3057
Sale of plants, Mr. Mackenzie 3059

Petition

Moose tag lottery, Mr. Wildman, tabled 3060

First readings

Hazardous Substances Reporting Act, Bill 99, Mr. Martel, agreed to 3060
Disabled Persons Employment Act, Bill 100, Mr. Mackenzie, agreed to 3060

Second readings

Science North Act, Bill 95, Ms. Munro, Mr. Gordon, Mr. Laughren, Mrs. Marland, Mr. Martel, agreed to 3060
Amusement Devices Act, Bill 97, Mr. Kwinter, Mr. Runciman, Mr. Swart, Mr. Offer, Mr. J. M. Johnson, Mr. Barlow, agreed to 3067
Health Care Accessibility Act, Bill 94, Mr. Elston, Mr. Pope, recessed 3076

Committee of the whole House

Science North Act, Bill 95, Ms. Munro, Mr. Grande, reported 3075
Amusement Devices Act, Bill 97, Mr. Kwinter, Mr. Swart, Mr. J. M. Johnson, reported 3076

Other business

Recess 3086

SPEAKERS IN THIS ISSUE

Andrewes, P. W. (Lincoln PC)
Barlow, W. W. (Cambridge PC)
Bennett, C. F. (Ottawa South PC)
Bernier, L. (Kenora PC)
Bradley, Hon. J. J., Minister of the Environment (St. Catharines L)
Breaugh, M. J. (Oshawa NDP)
Cooke, D. S. (Windsor-Riverside NDP)
Curling, Hon. A., Minister of Housing (Scarborough North L)
Davis, W. C. (Scarborough Centre PC)
Dean, G. H. (Wentworth PC)
Edighoffer, Hon. H. A., Speaker (Perth L)
Elston, Hon. M. J., Minister of Health (Huron-Bruce L)
Fish, S. A. (St. George PC)
Gillies, P. A. (Brantford PC)
Gordon, J. K. (Sudbury PC)
Grande, T. (Oakwood NDP)
Grossman, L. S. (St. Andrew-St. Patrick PC)
Johnson, J. M. (Wellington-Dufferin-Peel PC)
Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy (Niagara Falls L)
Kwinter, Hon. M., Minister of Consumer and Commercial Relations (Wilson Heights L)
Laughren, F. (Nickel Belt NDP)
Mackenzie, R. W. (Hamilton East NDP)
Marland, M. (Mississauga South PC)
Martel, E. W. (Sudbury East NDP)
McClellan, R. A. (Bellwoods NDP)
McGuigan, J. F. (Kent-Elgin L)
Morin, G. E., Deputy Chairman and Acting Speaker (Carleton East L)
Munro, Hon. L. O., Minister of Citizenship and Culture (Hamilton Centre L)
Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue (Brant-Oxford-Norfolk L)
Offer, S. (Mississauga North L)
Peterson, Hon. D. R., Premier and President of the Council and Minister of Intergovernmental Affairs (London Centre L)
Philip, E. T. (Etobicoke NDP)
Pollock, J. (Hastings-Peterborough PC)
Pope, A. W. (Cochrane South PC)
Rae, R. K. (York South NDP)
Runciman, R. W. (Leeds PC)
Shymko, Y. R. (High Park-Swansea PC)
Stephenson, B. M. (York Mills PC)
Stevenson, K. R. (Durham-York PC)
Swart, M. L. (Welland-Thorold NDP)
Timbrell, D. R. (Don Mills PC)
Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)
Ward, C. C. (Wentworth North L)
Wildman, B. (Algoma NDP)
Wrye, W. M. (Windsor-Sandwich L)

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Tuesday, January 14, 1986
Evening Sitting

Speaker: Honourable H. A. Edighoffer
Clerk of the House: R. G. Lewis, QC

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CONTENTS

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LEGISLATIVE ASSEMBLY OF ONTARIO

Tuesday, January 14, 1986

The House resumed at 8 p.m.

HEALTH CARE ACCESSIBILITY ACT
(continued)

Resuming the debate on second reading of Bill 94, An Act regulating the Amounts that Persons may Charge for rendering Services that are Insured Services under the Health Insurance Act.

The Deputy Speaker: The member for Cochrane South.

Mr. Pope: Mr. Speaker, I am glad you are in the chair. I seem to have trouble with some of the others, including a gentleman who is walking along the back row now. I am also glad the member for Brampton (Mr. Callahan) is here tonight. He is always a happy participant in the debates in which I am involved.

I know the parliamentary assistant has kept copious notes on my remarks before the dinner break and the Minister of Health (Mr. Elston) has already been informed of them. I want to assure the minister my remarks have nothing to do with the name of the restaurant he dined in.

Hon. Mr. Nixon: He means the Golden Bull.

Hon. Mr. Elston: The appointment for which I was late after my other meeting.

The Deputy Speaker: Order.

Mr. Pope: We are debating the bill.

The Deputy Speaker: At this point when you have the floor, the minister has no place in debating the bill.

Mr. Pope: I take it back; I prefer your predecessor, Mr. Speaker.

The Deputy Speaker: Carry on.

Mr. Pope: I know the member for Scarborough-Ellesmere (Mr. Warner) was interrupted in his activities a few minutes ago, but I will try to summarize my concerns about this bill briefly.

Before the dinner break, I had read into the record a letter that Dr. Dale of West Hill had sent to all his patients and a letter he sent to the member for Durham-York (Mr. Stevenson) with respect to no longer providing obstetrical and gynaecological services to the Uxbridge Cottage Hospital. I mentioned the concerns of the member for Durham-York and some of the people of the Uxbridge area about that.

That was an example of some of the concerns people are feeling across the province, not about the provisions of the bill the minister has introduced, but about the atmosphere of controversy–I will not say confrontation–that surrounds this bill and what will happen in the Legislature over the next one or two days.

That will give members some indication of how long I am going speak. I do not mean one or two days. The member for Windsor-Riverside (Mr. D. S. Cooke) is going to be on tonight. I can guarantee him that.

I want to indicate that there is some concern growing. To what extent it will grow I cannot say. I have some concern about my home community, which the minister addressed in his opening comments; but it is more than that. I want to reiterate in one sentence what I was trying to say before supper. I think it will take only one sentence. Everyone acknowledges, not that we have a perfect health care system, and that is the reason for some of the legislative changes, but that we have one of the best systems in North America.

Its foundations are historic and relate to the respect and the involvement of individual professionals as private practitioners, not public practitioners, and to an atmosphere of co-operation and consultation among the various people who deliver health care services to individual citizens of this province.

My viewpoint, and I think that of our party, is that whatever we do and whatever changes have to made, we would be the first to admit that issues of accessibility and universality, as two of the five principles of the national health care system, have to be addressed by this government and the Legislature. While we are prepared to address and support moves to improve accessibility and universality, we think one has to move in the context of the existing professionals and their organizations in this province as they now exist.

I would be the first to admit it is a very difficult negotiation. I have had a little bit of experience in that but, somehow, we have to find a way to cut through the confrontation and the public relations

battles and try to start solving some of these issues in direct negotiation.

How that can be done is a very difficult question but we have to start. Maybe it will be by a signal from the Premier (Mr. Peterson). Maybe he will give that signal tonight in Timmins when he meets with representatives of the Porcupine District Medical Society. It is hard to tell. I hope some of them are at the reception and get a chance to talk to him.

I believe there is a common feeling between this government and the members of the Legislature, as well as the professions of this province, that somehow we have to find a way to have universally accessible, affordable medical care available to every citizen of the province, no matter where he or she lives. How we do that together as a society, and not just in this Legislature, is something about which we are all concerned.

I put on the record very briefly some concerns that I have regarding negotiations. I read some notes from the Ontario Medical Association. We have had only one meeting with it on this matter, in early December. We do not have an ongoing liaison at all.

I have some concerns about the actual state of negotiations from the association's as well as from the government's perceptions. I have some concern about the overall state of relationships, not just with the Ministry of Health but also, because of some of the things the Attorney General (Mr. Scott) has been saying, between the government generally and the professionals of the province. It is not that they are the be-all and end-all, but some of these issues have to be solved through negotiation and accommodation.

Because we are unique in Ontario, we do not want the British medical system. We cannot have the medical systems other provinces have because we have world-class professionals at the Toronto General Hospital, the Hospital for Sick Children and other hospitals in communities across the province, including the University of Western Ontario Hospital in London. We have world-class physicians. I know when the minister gets into the negotiations, and maybe he already has, he intends to take account of that.

It is not the same. The Quebec model the Premier apparently favours–

Mr. Wildman: Is the member saying we do not have world-class doctors in Montreal?

Mr. Pope: If the member wants to listen for a second, he might learn something.

The Quebec model, which the Premier indicates he may be favouring, is not the answer in Ontario because not only does it have complete opting out or opting in, but encompasses it on a physician-by-physician basis as opposed to the individual recipient. Also, they have accompanied that with a ceiling on salaries. As a result, under the existing fee schedule, the very best professionals are encouraged to work six or seven months a year and take the rest off because they have exceeded their ceilings.

I know for a fact that some of the best specialists, the world-class specialists in Montreal, have opted to work six or seven months and not provide medical services for the rest of the year. I am not necessarily saying I agree with that conclusion or their decision, but that is the consequence of combining the Quebec system with a ceiling on total incomes for medical specialists.

Ms. E. J. Smith: We have not done that.

8:10 p.m.

Mr. Pope: I am not saying that. We do not have the Quebec system and we do not want it, not only because they are all opted in or opted out, but if we examine the Quebec system, we will find there is a similarity to what is happening now in Britain, which is getting a public medical practice system and a private medical practice system.

Ms. E. J. Smith: I do not buy that.

Mr. Pope: I do not care if the honourable member buys it or not, it is happening in Quebec. When the Premier of this province talks about the Quebec model, what I am trying to tell him is that the Quebec model includes ceilings. That was part of the negotiated or imposed settlement. It is not a rational way to handle world-class medical specialists in this province. It is not the answer; there has to be another answer. I do not opt for the Quebec system in its entirety.

If we want to sever off differ parts of that system, that is another issue. I do not necessarily buy the Nova Scotia system. I know the Minister of Health has heard from some practitioners in this province and from the Maritimes with respect to their problems with the Nova Scotia system.

Ontario is unique. That is what sets it apart from Saskatchewan and Manitoba, and even from the Maritimes. It is unique not only in Canada but also worldwide. The medical specialists we have in this province are very special and play a role beyond their boundaries. Whenever the negotiations start with this minister and the OMA, and specialty groups as well outside of

those negotiations, I hope these kinds of things are rolled into the discussions.

Hon. Mr. Elston: Realizing that the specialty groups may not agree with the association.

Mr. Pope: Oh, always; and realizing as well that some specialty group representatives are part of the OMA negotiating team and they are often caught in the conflict between the position they are adopting on behalf of the OMA and the position their fellow specialists may be taking with respect to certain selected fee items. I know of the difficulties of those discussions.

I know the minister has had some discussions with individual practitioners in the province. I feel the public discussion of extra billing should not have necessarily taken place through the health councils. He has heard of the reaction of the health councils towards that kind of a political issue being discussed at open forums sponsored by health councils. He has heard that from the providers who are members of the health councils as opposed to the–

Interjection.

Mr. Pope: I do not think it is causing difficulty, but I heard it and I think the minister did as well.

Mr. McClellan: Why did Brian Mulroney support extra billing?

Mr. Pope: The honourable member probably had this discussion–

Mr. Callahan: That is Ottawa.

Mr. McClellan: I would really like a response to that.

Mr. Pope: The member for Brampton and the member for Bellwoods (Mr. McClellan) are urging me to deal with the federal Canada Health Act. I will be quite happy to do that. I am very glad the members for Brampton and for Bellwoods are here tonight because I would like to get into some detail.

Mr. McClellan: We are always here.

Mr. Pope: Not everyone rejoices in that fact, I might add.

Mr. McClellan: Including me.

Mr. Pope: But it is part of their obligation. They have to be here.

I would like to get into some of the history of the Canada Health Act, but the minister may want me to move on.

Mr. D. S. Cooke: Is the member voting for it?

Mr. Pope: The honourable member will have to wait with bated breath. Will he please hold his breath until the vote?

Mr. McClellan: That is because he does not know yet. The Tories do not know how they are voting on any bill on the Orders and Notices. Do you know that, Mr. Speaker?

Mr. Pope: There is the fount of all knowledge not only about his own party and the the government of this province, but also about the Conservative caucus.

Mr. McClellan: I am just repeating what the member's House leader told us.

Mr. Pope: Oh, I see.

We all understand the history of the Canada Health Act, the history of the deal in 1968. The minister and the member have probably heard about it. The member has probably heard about it from the doctors of this province, the Ontario Medical Association–

Mr. McClellan: The member means Mulroney.

Mr. Pope: I will bet he has not talked to the OMA about this. He is laughing; I know he has not. He does not want to inform himself.

Interjection.

Mr. Pope: The member for Brampton wants to interrupt again. Perhaps he has the same attitude towards the doctors of this province as he has about the pharmacists. He said they sold only peanuts and chocolates in their stores, as I recall the discussion on Bills 54 and 55.

The members are aware of the provisions of the Canada Health Act and of the requirement for the withholding of funds from transfer payments to the provincial government to the extent of extra billed dollars. I assume that this minister, and maybe the other members of the third party and the government, have informed themselves of the negotiations between Ontario and the federal government during the past year and a half in an attempt to resolve this impasse and at the same time address the issue–

Ms. E. J. Smith: Is the member saying the federal goverment may back down on its position?

Mr. Pope: The member should talk to the minister. This is a very important issue for the doctors of her community. For her to sit back there and pose questions when a simple discussion with the minister would have informed her about the background of this issue I find incomprehensible. It means that her party and her caucus have not had a full discussion of this bill. If they had, she would have known there had been a number of meetings, both in federal and provincial conferences and bilaterally between

Ontario and the federal government, on this issue. Dr. Heseltine could fill her in on all of this.

Ms. E. J. Smith: I know it well.

Mr. Pope: The member should inform herself on the background of this issue. She really should and she will find that, recognizing the provisions of the Canada Health Act, there are ongoing attempts by her minister to resolve this issue in a way that will accommodate the medical profession of this province and satisfy the requirements of the Canada Health Act.

The member will know that universal accessibility relates to certain defined specialties in certain regions of the province. She will know that a number of doctors who are extra billing, including some in her community, do not get the money in their own pockets. Instead, that extra billed money goes to cover operating costs for institutions and for medical research. I presume that when the member discusses this in cabinet she puts some of that on the record, and she would not have the minister standing there saying the doctors are lining their pockets from extra billed dollars when she knows it is not true.

Ms. E. J. Smith: He does it voluntarily.

The Deputy Speaker: Order.

Mr. Pope: Any discussion with Dr. Heseltine would have told the member that.

I am trying to proceed quickly.

The Deputy Speaker: Perhaps you could speak through the chair and maybe that would cut down on the interjections.

Mr. Callahan: Be careful. He will say things about you, Mr. Speaker, and you will not be able to speak back.

Mr. Pope: I already have. I have already said I prefer my colleague from across the House after that first ruling.

I have talked about the concerns of doctors in different parts of the province and about how they are communicating with their patients and with the Premier and the Minister of Health. For instance, Dr. Brennan of the Kingston General Hospital division of cardiology wrote to the Premier on January 13, 1986, indicating his concerns as a professional carrying on business in Kingston. I will quote just one paragraph and then I will move on, because I know the Speaker does not like extensive quotes.

"In 10 years that I have been in practice in Ontario, following six years of medical school and eight years of post-graduate training, I have attempted to furnish to as many patients as I could handle the best medical care I was able to provide. Accessibility of patients to me by appointment has been limited only by constraints of time. It is possible to deal adequately with only a limited number of patients in a given period of time. Accessibility to me in a medically urgent situation when I have been on call has been absolutely unrestricted, an average of 100 hours per week, 52 weeks per year.

"No patient has ever complained that I have been unavailable when needed or that I was too highly paid for my services. Indeed, not only have I always accepted the OHIP rate for my services as payment in full, but also the terms of my appointment in the faculty of medicine, Queen's University, including a provision whereby all my professional income above a negotiated ceiling goes to the university."

I know the member for London South (Mr. E. J. Smith) has the same experience from the doctors whom she knows connected with the University Hospital.

"I am aware, of course, that the vast majority of my patients have no idea what I have been paid for looking after them, but I cannot recall one who asked. I infer, therefore, that in terms of accessibility and fees charged, my patients have been satisfied with the service I have provided.

8:20 p.m.

"You and your government state, however, that there is widespread dissatisfaction among the people of Ontario over the way in which doctors are paid and that excessive fees are hindering access to good medical care. If my patients truly support your position, then I feel betrayed and emotionally unrewarded for the services I have rendered.

"In my practice, I attempt to establish a doctor-patient relationship based on mutual trust and confidence. If I am to believe that you are carrying out the wishes of my patients in order to remedy a fault in my practice about which no patient has complained to me, then obviously I have lost that trust and confidence. Without it, my only rewards for looking after a sick patient are the fee I receive and the intellectual satisfaction of solving a medical problem, i.e., of treating a disease rather than a patient. This is not the climate in which I wish to practise medicine. I cannot believe that this is the climate in which the people of Ontario wish medicine to be practised."

He goes on to indicate he is not a political activist and the letter represents his first attempt to exert any direct influence on those who make the laws at any level of government.

"My financial interest in the proposed legislation is much less than that of an average Ontario

doctor, as noted above. I am otherwise just an average medical practitioner striving to maintain a high standard of practice against increasingly formidable odds, and an average citizen of Ontario who is appalled that a small group of citizens whose value to society is acknowledged to be high is in danger of having his economic freedom forcibly removed for the good of society. A society which will tolerate this is not a good society and does not deserve to be free." It is signed by Dr. Brennan.

Ms. E. J. Smith: Are you forgetting the first-class hospitals we give them, equipped with the finest laboratories, which are far superior to those in American hospitals? If doctors were aware of this, they would not leave this province.

Mr. Pope: I know the member for London South believes that this practitioner or cardiologist is uninformed and does not understand the issues. I know she believes that the doctors in Timmins are uninformed, even though none is extra billing and all were opted in. I know she believes that William N. Dale, an obstetrics and gynaecology specialist, is uninformed.

The fact is that doctor after doctor across this province believes there is unnecessary confrontation and a misrepresentation of their professionalism to the people of Ontario. That is their feeling and it is the responsibility of this government. It has to answer for the same kind of attitude in the negotiation and discussion exhibited with respect to the pharmacists of the province.

We are talking about the general quality of health care in Ontario, about one of the best health care systems in North America that was built on the contributions of individual professionals, be they doctors, pharmacists or anyone else in the health care system. We are talking about them being the key element in delivering the high quality of health care in this province. They do not feel this government is talking to them. They feel this government has misrepresented the issue of their professionalism and that it does not care to discuss the issues with them.

The government can complain all it wants that these doctors do not understand, in the same way they complained the pharmacists do not understand. They can expand their attacks on the professionals of the province to include whomever they wish, but we believe the fundamental issue for this Legislature to address is the quality of the health care system. It is a quality based on the professionals, on the doctors and pharmacists. If the government wants to throw that quality away to score political points, it is on its head. We stand for the patients who want a continuation of high-quality health care.

Hon. Mr. Riddell: Let the doctors pay for their education and their hospitals. Let them collect their fees.

Mr. Pope: That is as good a statement from the member for Huron-Middlesex (Mr. Riddell) as the statement he made to the member for Durham York yesterday. It is just about as relevant to the discussion in this Legislature as his statement yesterday about the absence of the member for Durham York.

Mr. Wildman: Jake Epp is the Che Guevara of Canadian politics. Did not the member for York Mills (Miss Stephenson) call him a terrorist?

Mr. Pope: I love it when the members of the third party exhibit such a confrontational attitude and such a lack of understanding of the role of the doctors in the province. I am just surprised that the Liberal Party of Ontario has opted to go along with that kind of mentality. We have one of the best health care systems in North America. The Liberals are going to throw it away because they are following the third party's dictate.

They have to work with the professionals of this province to improve the quality of health care and universal accessibility. That is not done by confrontation. Yes, we are concerned about improving accessibility. We know the specialties and the locations. We want to see a resolution of the accessibility issue. We want health care to be universal, accessible and affordable. The issue is resolved through negotiation with a specialist group and the Ontario Medical Association.

This crew wants to dictate professional life and health care in this province. No one else has a role to play except these ideologues. The government has fallen into bed with them and its members should be ashamed of themselves.

Interjections.

Mr. Pope: The problem with the member for Ottawa Centre (Ms. Gigantes) is that she does not know when she has lost.

Ms. E. J. Smith: I am interested you are not opposed to the principle.

Mr. Pope: I never said I was.

Interjections.

Mr. Pope: I am saying there is needless confrontation, for which the government is responsible, that can affect the quality of health care in this province. If the member for London South does not think it is important, she should go up to Timmins tonight with her leader and talk

to the community. She does not have enough guts to go up there.

Ms. E. J. Smith: I know some doctors in Timmins pretty well.

Mr. Pope: So do I. They happened to run for her party. They were campaign managers and fund-raisers and they all voted to opt out because they are tired of this government that talked to them before it was in power and will not talk to them afterwards. power. Go up and talk to those great supporters and see what they think now about the great Liberal Party that listened to them.

Talk to Graeme Cunningham, whom her leader quoted during the last election campaign. Talk to John Sullivan, who was the Liberal candidate in 1981. Talk to Peter Richardson, his campaign manager. Talk to the chief of staff of St. Mary's General Hospital, who was his fund-raiser. Ask them what they think now of the Liberal Party of Ontario, which will not listen and talk to them, and then tell me her party has done a good job of resolving the health care issues of this province. What a bunch of hypocrisy.

Hon. Mr. Elston: That is the wrong word.

Mr. Pope: Is it? I will withdraw the word if it is wrong.

Hon. Mr. Riddell: I like the member better when he is steamed up.

Mr. Pope: Is that so? Keep talking.

Hon. Mr. Riddell: I am going to sit in the House if he is going to carry on like that.

Mr. Pope: It is better than sand castle day in Grand Bend, is it not?

Hon. Mr. Riddell: It is really getting interesting.

Mr. Pope: I saw him in a parade in Grand Bend on sand castle day.

Mr. Warner: Is this your windup?

Mr. Pope: It was going to be, but I guess I can go on for a while if the member would like. I was just getting to the Magna Charta.

The issue we see as a party is that we have a high quality health care system but it can be improved. We are anxious to participate in discussion with everyone involved in the health care system to improve it. We want to make sure we have universal accessibility. We want a national health care plan and one in this province that meets the goals we all share. We think it can be done with respect for, and communication and negotiation with all of the professionals who are involved in delivering it.

We think this government, unfortunately, for whatever reason, has opted to pursue its own agenda without consultation, without negotiation. It has proved it beyond a doubt on Bills 54 and 55.

Ms. E. J. Smith: How did the member vote on that?

Mr. Pope: The member had better go back and read Hansard. I know she understands everything about these issues.

The Liberals talked to the pharmacists on November 7, an hour before they introduced the bill. I know the members opposite understand all that, as well as the state of negotiations with the Ontario Medical Association. They understand what is now going to happen with the optometrists of this province. They understand the concerns of the Ontario Dental Association about the dental care plan and how they are all going to be opted in and not allowed to extra-bill. I know they understand the concerns of the chiropractors and nurses of this province. I know the members opposite understand the concerns of all these professionals who have given us this high-quality health care program, but based on what we have seen to date, they do not give a whit about those concerns. They are going to move ahead with their own agenda and their own ideas. There will not be any negotiations. They are putting in jeopardy one of the best health care systems in North America.

8:30 p.m.

Mr. Callahan: We can blame 42 years of–

Mr. Pope: After 42 years we had one of the best health care systems in North America and everyone knows it, so the member for Brampton need not give me that nonsense.

We are all ready to work to improve it, but it should be done through co-operation and negotiation, not confrontation. There are not going to be any negotiations. Section 3 of the bill says there will be discussion about a mechanism for negotiation. There are no negotiations going on now about fee schedules or with specialty groups. The minister has not even agreed on a mechanism to negotiate, so how can he be negotiating?

Is he going to renegotiate the Ontario health insurance plan rate with respect to the $80 million? Is he going to remove the problems of the specialty groups with respect to specific fee items in the OHIP schedule in the hope of ending the accessibility problem using that? Is he going to undertake all the steps he can take as Minister of Health to break the impasse, at least to get into

fee negotiation to show he is willing to take the first step on that issue before the legislation is passed, as a sign of good faith that he is willing to negotiate and talk to the Ontario Medical Association and the other specialty groups?

I did not hear that from the minister today in question period. I heard him say he would look at mechanisms for negotiation. I know he says I misinterpreted his remarks, but I read section 3 of the bill and I understand what it says. It does not say there will be negotiation but that he is going to discuss a mechanism for negotiation.

With respect to specialty groups, there has to be direct negotiation on individual fee items. That may put specialty groups at odds with the OMA and it may cause division, but some of these issues have to be addressed in that context.

I hope the minister will consider my remarks in the spirit they were meant. None of us has anything to gain from confrontation. We will not support or condone any actions that affect patients in this province. We want to see high-quality health care continue and we want the doctors involved in it.

Mr. Wildman: Will the member vote against the bill?

Mr. Pope: The member for Algoma is still hung up on a tree nursery. Why does he not go back and study his notes on that?

We want to see negotiation with the doctors to end this impasse. We want to protect the doctor-patient relationship, as well as the accessibility and quality of health care for each and every Ontarian. The basis of that has to be the ongoing private, not public, relationship between the doctor and the patient. That is the foundation of the medical care system and always will be, no matter how the members opposite try to deny it, undermine it or ignore it.

That is the foundation of health care in this province and always will be. That is what we want to see continue. We do not want to see it deteriorate. We do not want to see world-class doctors working six months a year because of ceilings; we do not want to see confrontation; we do not want to see doctors who have always opted in and never extra-billed now deciding to pull out of the system. We do not want to see that and I know the Minister of Health does not want to see it either.

The governing party and its coalition partners have to spend more time with the professionals of this province trying to address these issues and resolve them before legislation comes in. That is the main point I want to make. Before the minister introduces the legislation, he should get into the detailed negotiation.

No matter how tough it is or how much he is turned off by the OMA or any other group, he should keep at it. He should get into the issues he can agree on and keep the doors open and get going on some of the other issues that we in this Legislature all have a common interest in resolving.

There are a lot of other issues I could talk about, the specific provisions of the Canada Health Act and the dollars being withheld–

Mr. Polsinelli: We want to hear about that.

Mr. Pope: The Minister of Labour (Mr. Wrye) would like me to to on talking. I could talk about a number of negotiations and discussions–

Hon. Mr. Elston: That was not the Minister of Labour.

Mr. Pope: It was not the minister? Sorry.

Mr. Polsinelli: Tell us how the federal Tories voted on the Canada Health Act.

Mr. Pope: Okay. In fact, I have more notes and I can go on at some length.

Hon. Mr. Elston: No, we will accept it as read.

Mr. Pope: He wants me to describe it.

Hon. Mr. Elston: Just tell us what page it is on.

Mr. Pope: It is 4(a) in his briefing notes, and it is in some detail. It goes right back to 1967 and 1968.

Hon. Mr. Bradley: Did the member get a photocopy of the briefing book?

Mr. Pope: No, it is my personal property.

Mr. Polsinelli: It did not go to the shredder?

Mr. Pope: No, nothing from any ministry I was involved in went to the shredder. I will put $20 on it.

The Deputy Speaker: Order.

Mr. Pope: That party made a great thing about the Attorney General of the day ordering 40 shredders, and all 40 of them were for provincial courts under the Young Offenders Act. It was a great political gimmick while it lasted, but it was untrue, like a number of other things that are being said.

We do have some concerns that we are going to be sharing in full about the state of the relationship of this government with the professionals who are providing health care. We have some concerns about accessibility and universality as well as about the other three elements of the national health care system, which everyone has

agreed are necessary. We are going to be talking during the course of this debate about accessibility and universality, about the limits of access to specialty groups and about how we think this might be resolved.

I do hope that during the course of debate on this bill the minister will seek an opportunity, wherever it may be, to meet with the Ontario Medical Association and its negotiators now that second reading is being undertaken, to talk about the principles of the bill and to seek some dialogue with the OMA, which has not happened as yet. I did read into the record before supper some of the OMA's comments in the one meeting we have had with it, its comments on the negotiations and how they are at variance with the government's.

Our party is anxious that the quality of the health care system and the goal of universal accessibility be maintained, and that somehow this confrontation, which could affect the quality of health care in the province–not that it has but it could–be resolved by the minister and the government. If he can do the latter he will have the support of all the members of this Legislature. I would urge him to spend time in doing it. It would be worth a lot more to him and to the people of this province than all the briefings he gets every morning from his staff in the Ministry of Health.

Hon. Mr. Elston: Not every morning.

Mr. Pope: It is not every morning any more? I do think it is urgent, not just from my own riding's point of view but also from what we are hearing across the province, that we spend time doing this during second reading of the bill.

My colleagues will be talking about their own individual problems and concerns in their own areas of the province. I can tell members that I am losing specialists in my riding. We are losing specialists in northeastern Ontario, not just Dr. Covington but many others who have been travelling recently to different states in the United States to negotiate new financial arrangements because of their concerns about what is going to happen.

Hon. Mr. Elston: It is not just money in their pockets; I hope the member will tell me that.

Mr. Pope: The minister will have to discuss that with the doctors who are leaving, and I hope he does.

Hon. Mr. Elston: There are some historical problems we have to fix.

Mr. Pope: Yes, there is a historical problem and there are a number of reasons for the history of that problem. However, we do feel that if there is not some resolution or some amenability of this government towards the professionals who are delivering health care, then in some parts of Ontario, and specifically in northern Ontario, the impact will be felt first.

The minister will not see a rapid deterioration, if any at all, in the urban centres he addressed in his opening statement on December 19 as the accessibility issue. He will see a decline in accessibility in other regions of the province because the professionals and the specialists will not be there. That is my feeling unless we can turn around the attitude of confrontation we have.

With those remarks, I know that my friend the member for Windsor-Riverside wants to carry on the debate.

8:40 p.m.

Mr. D. S. Cooke: The remarks of the member for Cochrane South sound like a replay to me. We just went through the whole thing with the drug bills. He spoke for two and half or three and a half hours and never said during that time how he was going to vote on Bill 54. He has not said during the past hour or hour and a half in which he spoke how he is going to vote on this bill; he may end up coming down on the side of his conscience and support this bill.

I cannot imagine that the member for York Mills, otherwise known in Ontario as Bette "Opt Out" Stephenson, can possibly bring herself to vote for this bill after the words she used the day the bill was introduced.

After listening to the Conservative Health critic on this very important bill, I get the impression his solution is that we will end extra billing and bribe the doctors with the $50 million we save so as to avoid some kind of confrontation. I strongly believe that the deal the former Minister of Health, the member for St. Andrew-St. Patrick (Mr. Grossman), now his leader, worked out should be adhered to for the rest of the agreement and that we should not use the $50 million to bribe the doctors to comply with this bill.

We should follow the agreement that was signed, under the leadership of the Progressive Conservative Party, between the Minister of Health representing the government of Ontario and the Ontario Medical Association. That agreement should be lived out for the remainder of the two years. It was completely separate from the issue of extra billing. The Conservatives signed an agreement they apparently felt was a fair fee schedule, and that fair fee schedule

should be adhered to by this Legislature. At the end of the two years, we can talk with the OMA about the fee schedule.

As Health critic for the New Democratic Party, I am extremely proud to be here tonight to speak in favour of a bill on which our party stood alone for 15 years in supporting the ending of extra billing. In 1970, my party passed a convention resolution that reads as follows:

"Be it further resolved that a New Democratic Party government will:

"1. Establish a machinery for the determination of fee schedules for physicians and other professional personnel, leading to the elimination of unilateral price determination by professional associations and of extra billing of patients.

"2. Take steps to effect a more rational distribution of health personnel and facilities to make health care services more readily available to underdoctored and otherwise disadvantaged areas.

"3. Encourage financially and otherwise the development of community health centres in which consumers and physicians working in a group practice environment may establish a mutually satisfactory arrangement for the provision of health services.

"4. Otherwise explore ways and means for a more efficient, just and economical system of the organization and delivery of health services."

It was 15 years ago that my party went on record with that policy. Today we are seeing the first major step towards the implementation of that policy. We as New Democrats can take pride in and credit for this piece of legislation.

Throughout the 1970s, it was this caucus that raised cases in the Legislature as examples of individuals who had been hurt by lack of action by a government that was too tired to act on behalf of consumers, patients and doctors in this province. We acted and raised cases of individuals who were being hurt by a policy, by a party and by a government that was committed to support of the Ontario Medical Association, but sure as heck was not committed to support the health care consumers of this province.

It was the New Democratic Party that in 1979 introduced the largest petition ever circulated in Ontario and presented in the Ontario Legislature, with the signatures of more than 250,000 people opposed to extra billing in this province. Today, it is very clear from polls that have been done and by talking to our own constituents that there is a consensus in Ontario and that consensus is overwhelmingly in favour of making extra billing illegal.

This party feels, and always has felt, that health insurance is a mechanism to equalize accessibility to the health care system but that equal access could never be achieved until extra billing was outlawed. We now take one step forward, a major step forward, to equal accessibility to our health care system.

Doctors in this province have said they believe in accessibility, as the Health critic for the Conservative Party has said, but I would like the Ontario Medical Association and the Conservative Party to explain to me how we can have equal accessibility as long as extra billing is legal in this province.

What about the history over the past 15 years of the Progressive Conservatives and, for that matter, the Liberal Party? What has been their position?

Until very recently, the position of the Premier, formerly the Leader of the Opposition, was that extra billing was a necessity; it was a release valve or safety valve for the medical profession. It was only leading up to the last election that he changed his mind. I suggest he changed his mind because a consensus had been reached in this province. He saw the writing on the wall and decided it was important for political reasons to take that position.

The Leader of the Opposition (Mr. Grossman), a former Treasurer and a former Health minister, said extra billing was not a problem in our province; the only people who were extra billed in Ontario were the wealthy. That is what the member for St. Andrew-St. Patrick said in the past.

The position of the Conservative Party implied that individuals who could afford to pay would pay extra bills. If they could not afford to pay, the solution for the patients in this province was to go to the doctors and spill their financial woes. Then the doctor might administer his or her own means test–whatever the criteria may be–and they could get services at the OHIP rate. Again, it would be completely up to the doctor.

We in the New Democratic Party, on the contrary, believe the relationship between a doctor and a patient should not be interfered with by finances. The only way that can be done is by the elimination of extra billing. The doctors in this province, the Conservatives and, until recently, the Liberals have said the relationship between doctor and patient could develop more readily if extra billing were allowed. That is the position the independent physicians have taken. I

do not understand the rationale of that. I do not understand how the relationship is enhanced by having to pay direct and by having to pay extra to a doctor.

Financial consideration should play absolutely no role at all when a person is concerned about his or her health care. Again, the only way that can be dealt with is if extra billing is eliminated. The Liberals in the past, the Conservatives and the OMA have said extra billing is a minor annoyance; there are only a few doctors in the province who extra bill. Our party has said consistently that if one person is deterred from using the health care system because of financial considerations, then there is something wrong with the system and the system has to change to accommodate that individual.

The startling fact is that, under the present system, $1 million a week extra was charged to patients in Ontario under the Conservative regime and under the Liberal regime until now. At the same time, the federal government held back that $50 million a year. In effect, the people of this province paid $100 million a year because of extra billing.

These are millions of dollars that individuals will never get back. The government will be able to collect its money that has been withheld under the Canada Health Act, but the individuals who have been extra billed because of inaction by the Conservative government in the past will never be able to reclaim their money. That was never supposed to be the case under the Canada Health Act, which was supported by all three political parties at the federal level.

8:50 p.m.

Let us look at some of the examples of what extra billing and opting out has meant in Ontario. I do not have the absolute up-to-date statistics, but the last statistics I was able to find in my extra billing file indicate the following are opted out in Ontario: ophthalmologists, 36.6 per cent; obstetricians and gynaecologists, 28 per cent; urologists, 25 per cent; orthopaedic surgeons, nearly 20 per cent; anaesthetists, 19 per cent–and in many cities in this province, 100 per cent of the anaesthetists have opted out, as was the case in London and in many of the teaching hospital areas–plastic surgeons, 16 per cent; and psychiatrists, 16 per cent.

Those are the statistics that indicate the real problem. The problem is not with the family doctor or the general practitioner opting out. The problem has been with the specialists opting out, which has caused real problems, especially in certain pockets of the province.

I can give the minister some other examples. In the city of Toronto, from the last statistics I have available, 169 of 191 anaesthetists were opted out; in the city of York, seven of the eight were opted out; and in the city of North York, 25 of 29 were opted out.

Obstetricians and gynaecologists: In York, all were opted out; in the city of Scarborough, 13 of 18 were opted out; in North York, 19 of 26 were opted out; in Toronto, 88 of 143 were opted out.

Psychiatrists: 136 of 354 in Toronto were opted out, and in North York, nine of 34 were opted out.

Other specialties: For ophthalmologists, 76 of 128 were opted out.

That gives an idea of how many are opted out in certain specialties. There is a problem with accessibility to certain specialties in pockets of this province. Those doctors did not say to their patients, "Can you afford to pay me a little extra?" They did not say, "Can you afford to pay me 50 per cent extra?" as was the case in some of the examples raised in the Legislature. Those individuals had to come up with the money or go without the services, without food or without whatever the case was. They had to squeeze their budgets to pay for health care.

In the 1960s, when we brought in health insurance in this province, and in the 1940s, when Tommy Douglas started it out west, the purpose of health insurance was to take away that disadvantage for low-income people. The Conservatives allowed that to erode year after year because their friends were in the doctors' offices; their friends were the doctors of this province. The doctors were the ones who donated thousands of dollars to the Conservative Party. They were the allies they were willing to defend.

We in this party have felt that the principle of accessibility, the principle of health insurance and medicare, which Tommy Douglas started, was worth defending. That is why this bill tonight is so important.

On March 23, 1984, the Treasurer, now the Leader of the Opposition, stated:

"The honourable member would presume that the doctors are extra billing the people less well off in society. I know many of those doctors and I know many of the patients, and I say that in the vast majority of cases they are extra billing the better-off in society."

It goes back to what I was saying. The Leader of the Opposition, then the Treasurer, was under the illusion that the only people being extra billed in this province were the wealthy. All of us had many cases of individuals who would call us and

say they were being extra billed and tell us about their concern. The Leader of the Opposition's solution was: "Call the OMA hotline. They will solve the problem." Ninety-nine per cent of the people of this province have never heard of the OMA hotline, let alone been able to call it.

The then Treasurer presumed it was the right of the medical profession in this province to be able to have a means test of its own and determine who could and who could not afford to pay extra. That did not always work. Many of our senior citizens and many of our low-income families did not want to pour out their financial woes to doctors. They should not have to do that, nor should any politician have expected they would want or would have to do that.

I want to go through some cases. One of the things we did as a party was place ads in the paper a couple of years ago. We suggested to people it would be helpful if we knew their individual experiences with extra billing. Many of those cases were raised in the Legislature. The acting Minister of Health at the time, Mr. Wells, indicated the OMA would deal with every one of those cases on an individual basis. To my knowledge, of those cases that were raised in the Legislature, not one of them was ever dealt with satisfactorily by the OMA.

One example is a letter that was written by a Dr. Greenaway, who is located in Amherstburg, near my home community. The letter is entitled "An Open Letter to All Patients." It goes back in history. I bet this letter was written just a couple of years ago. It says:

"Since July 1, 1975, Dr. J. R. Greenaway bills all patients directly for the services rendered and he does not accept payment directly from OHIP. He has taken this step for the following reasons:

"(a) Direct patient billing reminds you and us that we are working for you and not for the government."

I have no idea what OHIP has to do with whether one is working for the government or for the people of this province. OHIP is simply health insurance, and obviously, just as if it were in the private sector, health insurance is something we purchase to protect ourselves in case we have a health problem; so (a) does not make any sense at all.

"(b) Direct billing allows us to meet rapidly rising costs of practice and to maintain a wide range of high-quality services to you."

All this means to me is that extra billing means one is going to pay more and that the doctor wants more income. Therefore, his rising costs simply mean he is going to get every cent he can get out of his patients. This is the same doctor–

Mr. Villeneuve: The member does not believe in rising costs? Unbelievable.

Mr. D. S. Cooke: Has the member for Stormont, Dundas and Glengarry read the agreement that was signed by OHIP, the OMA and the previous Minister of Health, the member for St. Andrew-St. Patrick, whereby the average take-home pay for doctors in this province is $120,000? I do not know about the honourable member, but he used to think people could live on a minimum wage of $4 or less per hour. Doctors sure as hell can live on $120,000 a year.

That is a pretty fair income that was negotiated by that party's Minister of Health during its reign as the government. If the member is saying the OHIP fee schedule is unfair, the only person he has to blame is his leader, who negotiated that OHIP fee schedule.

Interjections.

The Acting Speaker (Mr. Morin): Order.

Mr. D. S. Cooke: This letter goes on to say–

Interjections.

The Acting Speaker: Order. Address the chair.

Mr. D. S. Cooke: I suggest that the member for High Park-Swansea (Mr. Shymko) look under his desk or something. He is always thinking there are conspiracies. He might want to check underneath his desk to see if there are any commies or anything else he has referred to.

Mr. Shymko: Stop that nonsense.

Mr. D. S. Cooke: This letter goes on to say:

"Certain other services, such as house calls, night office visits and Sunday visits, will cost you more than the OMA schedule. You will be informed of these charges prior to receiving your services. Payment at the time a service is rendered unless other arrangements are made with business office. A service charge of 1.5 per cent per month will be charged on overdue accounts.

"We are willing to reduce our fees in certain circumstances for welfare recipents, pensioners with no other income and patients truly unable to pay the difference. Please discuss this with the doctor at the time of your visit."

That is the means test clause, where this doctor determines whether one can afford to pay extra. I ask the member for Stormont, Dundas and Glengarry and the member for High Park-Swansea whether this is the kind of relationship between a doctor and a patient that they defend

back in their home ridings, the kind of position the OMA has taken in the past.

9 p.m.

I will give another example; it involves an individual who lived in the town of Tecumseh and had orthopaedic surgery to correct a foot problem. This individual was laid off at Chrysler Canada in 1983. He had been paying some debts over an extended period, and he had this surgery done. The total bill was $653; OHIP paid $504. The individual had to pay $149.18 out of his own pocket. This person was on unemployment insurance. There is no mention here that the doctor was so concerned that the charges would be dropped. This individual had to pay. There is an example that was raised in the Legislature, the name of the family was given and the OMA was totally unable to deal with that case.

Here is the case of an individual in Guelph who had to go see a urologist. He was on a fixed pension. The total cost for all the visits and surgery was $1,482.10. OHIP paid $1,042.77; the individual had to pay the difference of $439.33. It so happens that in Wellington county, where Guelph is located, all the urologists–there are two of them–were opted out at the time. The only option this individual had–both he and his wife were retirees–was to come all the way to Toronto for the services.

I ask the member for Stormont, Dundas and Glengarry and the member for High Park-Swansea where the accessibility is for these individuals. There was $150 extra. All the urologists were opted out. This case was raised in the Legislature. That person still had to pay the $440. The government was unable to deal with the case, as was the OMA.

Here is a letter that was sent out by a group of orthopaedic surgeons to patients:

"To our patients:

"Since October 1, 1978, the doctors in our practice have dealt directly with our patients and have been billing them directly for all medical and surgical services rendered in this office, at the hospital, at the hospital clinics and in the emergency room.

"Payment for all professional services rendered by the doctors in this office is the responsibility of the patient and his or her family if it is a minor. Fees for all office visits are to be paid at the time the service is rendered. Fees for all clinic visits and emergency room visits are due and payable upon receipt of our statement.

"Surgical procedures: Before all elective surgery procedures, your doctor will inform you of the total cost and the amount of the approximate benefits to be paid directly to you by OHIP."

Members of the Conservative Party might remember that the only way we could get doctors in this province who were extra billing even to tell their patients ahead of time was to change the Health Disciplines Act to make it a matter of professional misconduct. Then the doctors followed the law.

"Total payment for surgical services is payable at the first post-operative visit. In turn, an insurance card will be promptly filled out and sent on the patient's behalf to OHIP. The fee schedule in this office is above the OHIP benefits, which are paid directly to the patient by OHIP. Surgical fees will be discussed with the patient."

The letter goes on, basically in line with the Health Disciplines Act, to give some examples of what their charges are. For example, for a consultation–just to visit the office–the doctor's fee is $50, while OHIP's benefit is $35. For a specific assessment, the charge is $35; OHIP pays $25.

In my home community, virtually all the orthopaedic surgeons are opted out. This is the norm. This is the major clinic in my community. If individuals need to see an orthopaedic surgeon, they either pay these extra fees or they travel to London or Detroit, both of which would cost a substantial amount of money, either in travel fees to London or because they are on a completely different system in the United States.

I want to use this example. On June 7, 1985, an individual received a letter from a Dr. J. H. Moran, managing partner of Don Valley Anaesthetists. The letter, in part, stated the following:

"It is also apparent that you are misinformed, as there is only one schedule for medical services in Ontario and it is that published by the Ontario Medical Association. OHIP publishes a list of benefits payable under the health insurance plan. Under the circumstances," this individual "had the option of requesting the services of a physician who was willing to discount his fees or reschedule his services."

In other words, this doctor is saying: "My schedule is the OMA fee schedule, minimum. If you want to get something at the OHIP rate, then you have to come to me and beg for it. I might give it to you at the OHIP fee schedule or I might refer to you another doctor." Talk about arrogance. This is the most arrogant letter I came to on going through the entire OHIP extra billing file we have accumulated over the past few years.

I have another example involving an individual up in Sudbury who had to go see an ophthamologist down here in Toronto. The individual had to pay $920.88 in extra fees. The family's annual income was $18,000. When this case was raised in the Legislature with the acting Minister of Health, Mr. Wells at the time, his response was that this family wanted to go to the best ophthalmologist in the province. It happened to be very serious surgery, but he said if she wanted the services at the opted-in rates, she should have gone to a less-qualified ophthalmologist.

The member for Stormont, Dundas and Glengarry shakes his head and says that is right.

Mr. Villeneuve: He will be going to the US.

Mr. D. S. Cooke: We in this party believe that everyone should be able to go to the best in the province.

Mr. Villeneuve: He will be in the US.

Mr. D. S. Cooke: We will see what happens. In the little town of La Salle, not too far from my riding, I remember raising a case in 1977. All three doctors opted out, and eventually most of the doctors went to the US. I cannot remember all the specific examples–the member for Windsor-Sandwich (Mr. Wrye) might–but they received a fair amount of press locally.

The opted-out doctors who moved to the US are all back in our community performing their services and they have all opted in. They found the pasture was not so green on the other side of the border and they found it is quite expensive to opt out and to have bill collectors operating in their practice. OHIP is not such a bad service for both the patients and the doctors.

I suspect that over the next number of weeks and months we are going to have a lot of interesting debate within the Legislature and within the committee. I suspect doctors will be putting a lot of ads in newspapers and doing whatever else they think is in their self-interest.

I have seen only one ad so far put in the newspapers by that rather left-leaning association called the Association of Independent Physicians of Ontario. I think these people have hired the same consultants the Ontario Pharmacists' Association hired because, when I read this ad, I really do not know where they are coming from.

The ad reads: "The Ontario government has so misrepresented the facts surrounding the issue of extra billing that many possible consequences to its proposed legislation are being totally ignored. One of those consequences could be a loss of freedom of both patients and doctors." Heaven knows what they are referring to there.

Mr. Villeneuve: The member does not care about that.

Mr. D. S. Cooke: Tell me what freedom patients are losing. Tell me what is wrong with health insurance. That is what we are talking about. We will see how the member for Stormont, Dundas and Glengarry votes on second reading.

We heard all his gobbledegook on second reading of Bill 54 and Bill 55 but when push came to shove, he voted in favour of the bill last night. If we had been thinking last night, we would have called for a division and made those turkeys stand up and put their mouths where the time has been spent over the last few weeks.

Interjections.

Mr. D. S. Cooke: All they wanted was enough time to get the cheques cashed from the pharmacists over the last few weeks, to get their donations in for the end of the fiscal year.

"One of the consequences could be a loss of freedom for both patients and doctors, freedom that now enables a patient to choose his or her personal physician without losing the benefits of prepaid medical insurance, freedom that now gives an individual physician the right to determine whether or not the OHIP fees provide adequate compensation." That is a freedom that is being taken away from the doctors.

We should recognize that the Ontario Medical Association is an organization that is very capable of negotiating on behalf of the doctors of Ontario. They have done rather well under the OHIP fee schedule. All we are suggesting is that OMA members should live by the same rules the Chrysler workers live by in my riding. When they sign an agreement, they are not able to go back into the factory the next day and say: "My union has negotiated a deal. I voted against that deal so I am going to opt out and charge $14 an hour instead of $10." They are not able to do that.

Mr. Villeneuve: The member is talking about democracy of unions. Come on; there is no such thing.

9:10 p.m.

Mr. D. S. Cooke: Is the member going to tell me that the OMA is not a union? It is the strongest union in this entire province.

Hon. Mr. Bradley: He says the unions have no democracy.

Hon. Mr. Wrye: Put that on the record.

The Acting Speaker: Order, order.

Mr. D. S. Cooke: I gather the member for Stormont, Dundas and Glengarry is trying to indicate that the unions of this province, and the United Auto Workers in particular, are not democratic bodies. Is that what he is saying?

Mr. Villeneuve: That is right.

Mr. D. S. Cooke: That is what he said. Okay. Let the record show the member has made that statement. In addition, let the record show it is obvious the member for Stormont, Dundas and Glengarry does not know what the blazes he is talking about.

Maybe he thinks his caucus is a democratic body. Judging by the way it has operated so far in opposition, I suggest that not only is it not democratic, but that it is also not very well organized. It cannot even make decisions on these bills before we start debating them on second reading.

Mr. Villeneuve: We do not have a union.

Mr. Warner: Maybe his party needs one.

The Acting Speaker: Order, order.

Mr. D. S. Cooke: There was a survey conducted by the Family Service Association of Metropolitan Toronto.

Mr. Shymko: The biggest union will not be able to go on strike. What will the member do then?

Mr. D. S. Cooke: What will the member for High Park-Swansea do? I heard his Health critic–

The Acting Speaker: Order. This is not question period. Come back to the topic. Address your remarks to the chair and we will listen very attentively.

Mr. D. S. Cooke: Thank you, Mr. Speaker. The questions the members of the Conservative Party have asked tonight have been better than any of the ones their leader has asked in question period since he became leader. It is kind of fun answering questions. I know that before I am finished in the Legislature, I and my colleagues who are here tonight will have the opportunity to answer those kinds of questions when we are in government.

In 1984, the Family Service Association of Metropolitan Toronto did a survey. It stated that 84 per cent of its clients had been extra billed. It also surveyed the economic background of its clients. It found that 19 per cent were unemployed, 48 per cent lived below the poverty line and 90 per cent earned less than $30,000.

The $30,000 figure is important because the member for St. Andrew-St. Patrick indicated, when he was Treasurer, that people who could afford to be extra billed earned more than $30,000. This survey showed that 90 per cent of these people were earning less than $30,000 and 84 per cent of the total client group at this social agency in Toronto had been extra billed.

The facts are clear. The then Treasurer of the Conservative Party did not know what he was talking about. He wanted to defend the Ontario Medical Association rather than defend the consumers and patients of this province. His party is continuing that line.

I am very thankful, because of the accord we signed with the Liberal Party and because of an election that came about last year, that the Liberal Party changed its position. As a result of that, we have this legislation here tonight.

As I said, over the next number of weeks the OMA will kick and scream. I am sure it will appear before the committee. It will initiate tactics such as those it initiated in Timmins. All I can say is that this party's expectation is that the government of the day and the Minister of Health will take a tough line with the doctors of this province.

He will say, as my leader requested today, that if doctors want to play the games they are playing in Timmins, then we will have to change the regulations and say that the consumers of this province, the users of our health care system, will not have to pay up front. They will not have to pay the doctors until they have received their money from OHIP.

If the doctors want to use those kinds of tactics, the government will have to respond in kind. If the doctors want to respond in a responsible way, then we can deal with this issue in a grown-up and responsible way and look at specifics of the bill and see if it can be improved.

I disagree with the Conservative critic who said tonight that this bill does not have a framework for negotiations. I can understand the difficulty the Minister of Health has had. It was pretty difficult to negotiate a framework for negotiations when the OMA refused to discuss with the government, or anyone, anything related to the ending of extra billing in this province. Quite correctly, the government has put into this legislation a mechanism which allows it to negotiate with doctors and other professions. It has put into this bill the framework for negotiations.

It would have been nice had the government come to an agreement with the OMA and, whether or not there would have been binding arbitration or the doctors' equivalent to Bill 100, which is the teachers' negotiating bill, it would

have been built into the legislation. In view of the fact the OMA refused to negotiate, the proper approach has been taken.

Tonight, we in our party celebrate the introduction and the debate on second reading of this bill. We pay particular tribute to people who have led the fight for the New Democratic Party over the last number of years, people such as Donald MacDonald, Stephen Lewis, Michael Cassidy and now our leader the member for York South (Mr. Rae), all of whom have seen the end of extra billing–in Donald MacDonald's case, the initiation of health insurance and then the end of extra billing–as a centrepiece of equity within our health care system and universal access to it.

Today marks an achievement for the New Democrats and a major achievement for the people of this province. The Tories in the OMA can fight as they will over this legislation, but the fact is it will pass and extra billing will end in 1986, and it is about time.

After we pass this legislation, we have to take the next step, which is to start looking at the true vision of medicare Tommy Douglas had. That envisions community-based services, the expansion of the community health service and health service organization program. It looks at the incorporation of a multiprofessional health care system in which institutions and doctors no longer control the majority of the spending in this province. We look to a community-based service in which all professions–doctors, nurses, social workers and psychologists–work hand in hand together and their skills and all they have achieved in their education are used to the utmost. Only when we achieve that system will we have a truly efficient health care system.

The member for Stormont, Dundas and Glengarry can say that is socialized medicine. I really do not have any idea what he means by that. He says a psychiatrist should be treated in the same way as a psychologist. Both are professionals and both have a role to play in our health care system. All I am suggesting is they should both be recognized under the Ontario health insurance plan so that patients who need the services of either can have access to both.

Under the health care system that member's party has put into place, people do not have access to psychologists unless they have a lot of money or can see them in a hospital. We are suggesting there are a lot of professionals in the health care system who can contribute. Under the Tory system, the only people who have been able to contribute have been doctors. We cannot afford this system which relies on institutions and doctors. The alternative is more efficient, economic and humane and will increase accessibility to the proper services I know this party wants to see available to all the people of this province.

9:20 p.m.

I look forward to the passage of this bill for two reasons. It will increase accessibility and it is a just bill that needs to be passed as quickly as possible. I also look forward to the passage of this bill because it is time we got the extra billing debate behind us so we can deal with other important health care issues that are pressing all the legislators of this province. It is time to get on with those issues in the health care system.

I encourage the Legislature to pass this bill as quickly as possible, get it out to committee and report it back here. Extra billing will soon be a thing of the past, and the sooner the doctors and the Conservatives of this province accept it, the better off all of us will be.

Mr. Shymko: It is quite obvious from the eloquence and extensiveness of the debate that it is quite possible, and I would say probable, that this will become a major and key issue in the upcoming election. There is no doubt about it.

Since this may well be the case, it is important that we be fair and give credit where credit is due. I concur 100 per cent with the remarks made by the member for Windsor-Riverside, who I believe said that his party raised this issue 15 years ago. For 12 years, they fought on this issue. It is only recently that the party currently in power was enlightened in seeing what it perceives as the wisdom of banning opted-out physicians from the plan we have. In fairness, we should give credit where credit is due. We must realize that public opinion knows very well who initiated this legislation and to whom the credit should be given.

Many of the members are familiar with one of the most eloquent journalists in Canada, a staff reporter of one of the main papers in this great metropolis of Metropolitan Toronto, a journalist probably widely read as bedtime reading by members of the New Democratic Party, whose words I would like to quote from the day following the announcement and first reading of the bill. This journalist gives credit where credit is due. Let me quote the eloquence with which these statements were made publicly to enhance the opinion of the public in this province so that it would not be swayed in not seeing the right perspective on the issue.

"Queen's Park is awash with socialism. The government, run by a nonelected NDP, is hell-bent on turning this haven of free enterprise,

this province of wealth dedicated to excellence, into a socialist state where the lazy, the incompetent and the irresponsible are lionized and subsidized, while the hard workers, the shakers, the creators of wealth are shackled and hogtied by oppressive legislation."

Credit is given where credit is due, my dear colleagues.

Mr. Wildman: Who is this journalist?

Mr. Shymko: This journalist is well known, well respected and widely read every day by my honourable colleagues. It is a guessing game. Have they not guessed yet?

Mr. McClellan: Lubor Zink.

Mr. Shymko: Very close, but not it. Let me continue and they may come up with the name. I will read two more sentences. Since this journalist is so widely read by them, I am surprised they have not guessed the name yet.

The journalist continues: "I am angry–angry at the Premier of Ontario, David Peterson, whom I always admired as an honourable man, for allowing himself to be led by the nose by one Bob Rae and his little band of pinko pygmies. Oh, what politicians will do to stay in power: lick socialist boots, sell their souls, do anything."

These are the words of Laura Sabia, quoted from the Toronto Sun, December 24, 1985. I cannot be as eloquent as some journalists. I do not have the colour and the ability to embellish words in giving credit in a fair, equitable and just way to the party that initiated this legislation 15 years ago. I am sure the party is very proud of that, as journalists are proud to remind the public and the citizens of Ontario of where this legislation originated.

I would like to refer to one part of the article that is on a serious note. This is what Laura Sabia says: "In the announcement that was made by the minister, he arrogantly declared that patients are being denied access to medical care because of extra billing. What a distortion of truth."

I read the minister's statement to the press on December 19, and to say that extra billing by physicians represents a serious threat to the publicly financed and publicly administered health care system of this province is stretching it a little too far. We all know, and let us admit, what the reality is out there.

There is a crisis in the health care system. The Premier so eloquently stated the concern about the federal government's established-program financing cuts in terms of the position we took as a government, led by the former Premier Bill Davis, and by the former Premier the member for Muskoka (Mr. F. S. Miller). Honourable members recall the remarks we made on the other side of the House in the debates on the issue of EPF funding, the cuts and the concerns we had, whether the government in Ottawa was Liberal or Conservative. We admire the position taken by the Premier. The problem is $1.7 billion in cuts, $50 million a year. That is the problem: fiscal constraints.

The crisis is capital funds for our hospitals, hospital beds, chronic care beds, acute care beds and nursing homes. This is the crisis; this is the issue. So they find a scapegoat, and who is the scapegoat? Opted-out physicians, a scapegoat to accommodate, perhaps, one of the terms of the pact–I do not know; the unholy alliance–to accommodate something that another party had raised many years ago. So let them give the other party credit and not take the credit for making scapegoats out of the medical profession in this province.

I would have been the first to back this legislation 100 per cent had we seen that there was consultation with the medical profession. There was no consultation with one of the biggest unions, to quote my honourable friends on the left.

Someone has mentioned a 17,000-member union. I do not know whether the doctors consider themselves a union, but let us look at the actions of the doctors in the medical profession in Quebec. They went all the way before certain changes were made. They went on strike, and we may well see strike action by the medical profession in Ontario. What will my honourable colleagues from the New Democratic Party do then? Will they support the strikers or will they support the scabs? I do not know. It will certainly be a very interesting ideological situation.

9:30 p.m.

We are backing one fundamental concept that the members opposite have always backed, and that is consultation, with unions, with workers, with professionals. There was no consultation. What consultation does one have when one tells the people one supposedly consults with: "We have made our decision. This is the decision. This is the action we will be taking. For the sake of the image of consultation, we will sit down and talk about it but we have decided. We have made our decision already. It is predetermined"?

That is what concerns me and it should be a concern to every member of this Legislature. I recall very well the words spoken time and again by the members of the Liberal Party when they were in opposition, "Consultation is primary before any legislative action is taken." None was

taken, not consultation with the federal government nor consultation to look at some other option. There are many variables. This is not the only solution to the dilemma. Do not make scapegoats out of one profession.

It is hypocrisy to focus on one profession exclusively, to make its members civil servants while leaving the rest untouched, perhaps because the Premier and the Attorney General are not members of the medical profession. I do not know, but I listened to the remarks of my colleague the member for Cochrane South (Mr. Pope) who said there was no consultation, but there was a desire to meet, to dialogue and to discuss on the part of the medical profession.

I would like to quote from a speech made at the annual meeting of the Saskatchewan Medical Association in Saskatoon by Dr. William Vail, urging doctors not to allow political expediency and bureaucratic control to run the health care system. Dr. Vail is an opted-out physician in Ontario and has had many prominent positions of responsibility, including that of president of the Ontario Medical Association. This is what Dr. Vail said, and I would like the Minister of Health, if he has the time now he is present in the House, to listen to the doctor's remarks.

"The Ontario Medical Association believes firmly that the privilege of opting out is a fundamental freedom of our profession, and by losing it we move one more step, like the old story of a camel moving into the Arab's tent, closer to socialized medicine in the full sense of the word." Not just the typical cliché, but in the full sense of the word.

"The OMA knows that opting the profession in will not make the services of physicians more accessible." The next part is to my colleagues from the New Democratic Party. "The NDP, a few years ago, promised a horror story a week about the poor widows, the orphans, the underprivileged who were denied medical services by opted-out physicians and extra billing, and they could not find them." They could not find the story a week they had promised.

"You and I know that the OMA is right. It has nothing to do with accessibility. It is simply and purely political rhetoric. It has all to do with reducing our ability to be a free and independent profession so that we can be advocates for our patients and to be able to work on their individual behalf, in other words, to ensure that they have access to the best diagnostic and treatment services that our profession can deliver." That is what they are trying to reduce by this legislation.

"We do not need another post office system," says Dr. Vail. He goes on to quote some other examples, not just the post office system. I might as well read the rest of the sentence: "...we do not need another aircraft industry, we do not need another bank fiasco or another tuna fish incident." I am being very objective in supporting every word addressed by Dr. Vail.

To complete the remarks, and I hope the minister is listening–I am sure he is involved with another conversation which is perhaps more relevant than the remarks of a member of the Legislature–but "I would like to say political expediency and bureaucratic control must not run the health care system. I repeat; political expediency and bureaucratic control must not run the health care system in this province.

"What the doctors of Ontario want is to sit down with the new Minister of Health, and look at and solve the multiple problems of health care delivery. They want to sit down. The Ontario Medical Association is more than willing to discuss the billing practices and patterns of practices of physicians in Ontario, including the utilization of medical services. How can they do this when the sword of emasculating legislation is poised to drop at any moment?"

These remarks were made on November 8, 1985, and Dr. Vail did not know that a few weeks later the sword would fall, as it has now.

He goes on to say: "Meaningful discussions must always take place in a co-operative atmosphere, and the end result of those discussions should not be prejudiced or predetermined."

I think my colleagues on the left will agree with this. The member for Oakwood (Mr. Grande) is pointing to the party in power.

Mr. Grande: I was pointing to the Speaker. The member should speak to him.

Mr. Shymko: I understand, but the member's party has more influence, as I remind him, on the party in power than we do. He knows that. His party signed a pact. It has some influence. They have listened to its proposals after 12 years of public, determined efforts on its part. They have listened. We have a piece of legislation which is the result of its influence, so the member should not point his finger. Talk to them, because that approach is not the one I know his party would support and certainly would have initiated had it been on the other side. I am sure it would have consulted, particularly with a body or an institution it describes as being the biggest union in Ontario, namely the 17,000 members of the Ontario Medical Association.

I would like to conclude Dr. Vail's remarks: "I think it is also interesting that, at this moment, filed before the courts, is a challenge to the Canada Health Act on a constitutional basis"–as the minister knows very well–"and also a challenge to the provinces on the basis of the Charter of Rights." It will be quite interesting if, indeed, the Supreme Court rules that what the government is doing is unconstitutional. I will refer to this challenge later.

Hon. Mr. Elston: The challenge to the Canada Health Act is on the basis of the federal government–

Mr. Shymko: It is because of the federal government's action that he is introducing this legislation. The minister knows that very well.

Hon. Ms. Caplan: It was supported unanimously by the Tories.

Hon. Mr. Elston: What the member said is not right. It has nothing to do with the Canada Health Act.

Mr. Shymko: It is because of fiscal policies. Had Monique Bégin not introduced that amendment, this would never have happened. The minister knows that. He would have been very careful about listening to the so-called advice from the third party.

Interjections.

The Deputy Speaker: Order. It is a little noisy in all quarters. Certain comments are coming from members who are not in their seats.

Mr. Shymko: The question is not the $10, $15 or $20 that a patient is paying to an opted-out physician or a specialist.

Hon. Mr. Elston: Yes, it is part of the question. That is a deterrent.

Hon. Ms. Caplan: That is the question.

Mr. Shymko: That is not the question. They will make more money now by all being opted in, according to the minister's proposal, because all a doctor has to do now is just walk through the hallways of a hospital and charge his fee. The minister knows that. He knows very well what is happening in other jurisdictions where there is a black market in health services and people charge extra. One pays under the table. That is what is happening.

Hon. Ms. Caplan: That is unprofessional. Is the member telling us the physicians are not performing their duties? Is he saying they are billing for services they are not rendering? That is not proper.

The Deputy Speaker: Order.

Mr. Shymko: The government will have a dual system.

Interjections.

The Deputy Speaker: Order.

Mr. Shymko: If the minister does not even allow me to make any comments–

The Deputy Speaker: Order. The minister is not debating; he does not have the floor and therefore cannot make any comments. The standing orders state that a member may not be interrupted when he has the floor. The member has the floor. The minister will get his chance to debate later.

9:40 p.m.

Mr. Shymko: It takes a while to get used to being on the other side. The minister has been very eloquent, very active and vocal on this side of the House. It is a Pavlovian reaction, a Freudian slip or whatever. It is in his blood and he has to react.

I would appreciate it if the minister would allow me to make my comments. Later on, as we wrap up the debate, I am sure he will have an opportunity to make his comments and to answer some of my questions. Even the NDP is tamer. My colleagues from the New Democratic Party are at least more ethical in their behaviour in allowing me to go on and make my remarks. I thank them.

The issue is the freedom of our society's self-governing professions. There is no doubt that is what the issue is all about. What we begin to see is a trend set by this government against our professions. I do not know and, for the life of me, I cannot understand why. It started off with the judges. The lawyers were next with the elimination of the QC appointments. They were followed by the pharmacists, and now we have the doctors. Who is next? To make them all civil servants–and I do not refer just to doctors–or tame servants of the state may well be the intention of some party. I do not know. Is that the minister's intention? He might as well be specific about it.

If the minister is going to make all the doctors in this province civil servants, why is he excluding dentists? I know he has a denticare plan; denticare may be next. Why is he excluding chartered accountants? The next thing he should introduce should be an accountant-care system. Why does he not include engineers with an engineer-care system or, I guess, engicare? He has a practising psychiatrist in his caucus, the member for Humber (Mr. Henderson). I guess psychocare will be next; I mean he has opted out.

What surprises me is that we do not have judicare, a system where all lawyers' salaries probably would be geared to the legal aid schedule of fee payments. That would be an interesting proposal. If the minister asks the citizens of Ontario whether they would prefer a judicare system where lawyers are paid according to the legal aid clinic fees or this problem of opted-out physicians, he will have an answer very quickly.

The reason may be that we have a number of prominent lawyers in cabinet, the Attorney General and others; I do not know. The leader of the third party is a lawyer by profession; that may well explain why we do not have a judicare system in this province.

In terms of popular opinion, the tendency of this government, backed by the NDP, is to be populist, popular; to favour anything that is a popular issue. However, it will get caught because it will boomerang on it. It is already beginning to boomerang.

With respect to populist issues, judicare is the thing to do. Get all the lawyers in and make them all servants of the state, civil servants, with a standard fee, not even negotiated, set on the same schedule as legal aid.

There is a hypocrisy in why he focused on doctors and left out the other professions. I would like an answer, either from the minister or perhaps from the Premier some day, as to why lawyers, chartered accountants and some of the other professions are excluded.

Hon. Ms. Caplan: They do not deliver medical services.

Mr. Shymko: They deliver services to society that are just as important in many ways as the medical services. Denticare is apparently next on the list, or is that one of the broken promises? I am not too sure. I think it is one of the broken promises. Is it $560 million of broken promises? Anyway, let me continue; I would like to point out some facts.

Mr. Grande: Where does the member stand? How is he going to vote?

Mr. Callahan: How is he going to vote?

The Deputy Speaker: Order. The member for Stormont, Dundas and Glengarry, the member for Oakwood and the member for Brampton are interrupting the member who is speaking. Will they please be quiet and stop interrupting.

Mr. Shymko: I want to tell the member for Brampton, who was intrigued as to how I will vote, that it is for me to know and for him to find out. It is a guessing game. It may not be too difficult. I am expressing serious reservations and concerns.

I would like to know where and in what direction this government is heading. Where are we heading as a society? Are we moving in a direction where professions are eliminated and all fees are set by the state? That may well be the direction desired by the New Democratic Party; I do not know. However, I would like to have an answer.

There are some facts we all know and are all aware of. However, they have to be reinforced during this debate. We must be reminded that when medicare was established 18 years ago–three years before the New Democrats initiated their policy on opting out–the New Democratic Party supported the concept of a medicare system in this province. Eighteen years ago the NDP agreed, as the doctors agreed and as the Progressive Conservative government of the day agreed, that we would have a medicare system, provided doctors could retain their right to opt out of the plan.

Mr. Wildman: Who did that?

Mr. Shymko: The NDP supported it. They supported this 18 years ago; not 15 years ago, but 18 years ago. They should check the record.

They had no serious concerns about the opting-out clause, and they believed we should honour, as I believe today we should honour, what I will describe as a social contract, to quote Rousseau, which is so important in the political realm of things. I will tell, in language the New Democratic Party understands, what a social contract is all about. A social contract is a commitment to society. It is a trust established between the ruling government and the people, in this case what the NDP describe as one of the biggest unions in this province, the Ontario Medical Association.

There is another thing I would like us to be reminded of. Let us look at some of the figures for opted-out doctors. The number of doctors who are opted out is decreasing, and we all know that. In March 1979, 18 per cent of doctors had opted out, but in December 1984, the figure was 13.1 per cent. I think the figure today is close to 11.5 per cent or 12 per cent.

It is decreasing every day. Why make a tragedy out of it? There may be a sunset situation where, a few years from now, the opted-out doctors will diminish in terms of the percentage of their numbers. Why make them scapegoats and move in the direction of making all the doctors civil servants, destroying their independence and their autonomy? If this government

had followed the example of Saskatchewan, where there was a voluntary decision on the part of doctors to join a plan and to accept these changes–

Mr. Wildman: As I recall, there was a strike over medicare in Saskatchewan.

Mr. Shymko: It was voluntary. They sat down, negotiated, talked and consulted. They came up with an answer and a change. However, that is not the case in Ontario. We remind the honourable members who have made this government possible that, for some reason, consultation is not on the agenda of the procedure this party follows. We must be reminded that only 12 per cent or so of doctors are opted out and that less than five per cent of the total claims processed by OHIP cover services are performed on an opted-out basis.

9:50 p.m.

Let us talk about a burden, a threat to patients: the inability to pay. As members know, many doctors who have opted out do not charge rates in excess of OHIP rates; they have opted out on a point of principle, nothing else. Most general practitioners have not opted out; that is pointed out by statistics. Specialists usually take a patient's ability to pay into account. That is true; we must admit it. They look at a patient's ability to pay in every case. So to talk about gouging, about unfair practices and about tragic situations is stretching it a little too far, and the minister knows that.

The possibility of opting out gives physicians a way to deal with problems in the OHIP fee schedule without withdrawing their services. The Premier said this is called a safety value; that is his own description of opted-out physicians. It is a way for them to deal with problems in the fee schedule without withdrawing their services.

There is often a time lag between the discovery of a new medical procedure and its inclusion on the OHIP schedule, and opting out gives doctors using the new procedure a way of dealing with this time lag. The minister knows this very well. His own leader called it a safety value. Why is he eliminating this safety value? It is a very good example.

Here is another point: Opting out provides doctors who are more experienced and highly skilled with a way of having this recognized. A Toronto Star editorial spoke about merit pay as a possibility to look into. I am sure the members of the New Democratic Party are considering as one of their amendments the notion that the contribution of a doctor who has practised for 20 years should somehow be recognized and distinguished from that of someone who has just finished medical school and is practising on his first day. There has to be some recognition, and the opting-out system has provided for this.

The ability to opt out also ensures that first-rate doctors will remain in Ontario. If doctors are denied the option, specialists are most likely to leave, and they are the hardest to replace. The member for Cochrane South told me today that three prominent specialists in Timmins have left for the United States. There is no other provincial jurisdiction to go to. Members know very well that when Quebec banned opting out by physicians, more than 300 specialists left Quebec for Ontario within the first three months following that legislation.

The minister knows that 66 per cent of all the doctors from jurisdictions where opting out was banned remained in Ontario and other provinces–British Columbia, Alberta and perhaps New Brunswick–while the remaining 34 per cent probably left for the United States; we do not know. However, once Ontario closes its doors, they will leave by the hundreds. Tell the patients and the citizens of the province that the government is not jeopardizing the health care system.

Hon. Mr. Elston: The member is wrong again. He does not have his facts right.

Mr. Shymko: Maybe the minister has had a dialogue with some enlightened power since he seems to have all the answers; I do not know. He knows everything. However, there is a lot that is unpredictable in life, particularly in political life.

Mr. Wildman: That member's party should know.

Mr. Shymko: There is a great deal of unpredictability, as is so well pointed out by my friend. The changes that have occurred can happen again. The leader of the third party has stated publicly that some day he will become the Premier. Can members imagine it? Things are possible. Nothing is sure; nothing is predictable, and the minister knows this very well.

Instead of trying to end extra billing by negotiating a complicated fee schedule high enough to satisfy everyone, it is better, in my opinion, to establish a general fee schedule at average rates and allow the few who have problems with it to opt out, a much simpler formula without the cataclysmic impact that this legislation will have on this province. The minister knows this.

The minister knows very well we took many steps when we were the government to ensure that extra billing did not compromise accessibili-

ty to health services. He took over and he knows what steps had been taken to assure accessibility by this party when we were in power. Let me remind the minister and the citizens of this province, some of whom may read Hansard and my remarks–

Hon. Mr. Elston: Not if they have any sense.

Mr. Shymko: That may be stretching it a little too far.

Mr. Gregory: The member can always print it in his newsletter.

Mr. Shymko: I may print some of my remarks in my Queen's Park report.

Some of the steps we took included establishing a province-wide telephone system that assisted the public in locating opted-in doctors and a joint Ontario Medical Association and Ministry of Health committee that reviewed patient complaints about billing. We had regulations under the Health Disciplines Act which provided that doctors who extra bill must notify their patients in advance of treatment and of the amount of the extra fee. The minister knows all that.

In other words, medicare was designed as a floor plan to ensure that everyone could afford adequate health care. The system as it stands now will not accomplish that goal; it may jeopardize that goal, and that is my fear.

I want to talk about some of the background on the whole issue of extra billing. My colleagues know the introduction of medical insurance in Ontario was predicated upon the absence of interference with either the professional freedom of physicians or the patients' freedom to select their physicians. In other words, it was to preserve the freedom of patients to select their physicians.

The freedom of choice is something we do not want to talk about for some reason. Physicians have always been free to choose whether to participate in the Ontario health insurance plan. Patients have always been entitled to receive benefits at the rates set out in the OHIP schedule of benefits or, if they so wish, to add the $10, $15 or $20 extra because they went to an opted-out physician. The details of that policy are well known.

There have been protective measures. We know, for example, that opted-out physicians can receive payments from the plan–they still can, before the bill passes into law–for certain services if he or she is affiliated with an opted-out association medical group. The association and the opted-out physicians accept the plan payment rate exclusively, in full, without additions, under the following conditions: namely, services to persons in an outpatient hospital or any other clinic department or public hospital; services to persons in nursing homes, homes for the aged, sanitariums, children's mental health centres, psychiatric hospitals, psychiatric facilities, approved homes, homes for special care–I could go on and on.

There have been remarks about the number of members of the Legislature present in the House. It is surprising that on this crucial issue, which may well be the issue of the next election, there are only three members of the governing party sitting in the House tonight.

Mr. Gregory: Three?

Mr. Shymko: Three; the minister and two members. There are more members of the New Democratic Party present than there are members of the governing party. That is shameful. Oh, someone is lurking behind, but he is welcome to come in and listen to my remarks.

10 p.m.

What we see are various options available to protect special categories of people.

There are geographical considerations that are very important in the delivery of our health system. I would like to remind members of that and to welcome the Speaker to listen to the eloquence of the remarks made by all members of the Legislature on this very important issue. Approximately 1,500, or about 77 per cent, of the opted-out physicians in the province are located in the seven major centres of our province, which contain about one half of the province's population.

In other words, the Golden Horseshoe, which includes Toronto, Oshawa and Mississauga, contains approximately 60 per cent of all the opted-out physicians in this province. Because of the general supply of practising physicians in these urban areas, particularly in what I refer to as the Golden Horseshoe, patients have ample access to services at the opted-in rates. There are choices available. That is guaranteed. There is no problem with access, as everyone knows.

Likewise, only about 23 per cent of opted-out physicians are located outside the seven major centres. Thus, half of the province's population residing in rural settings are served by proportionately more opted-in physicians than in our metropolitan areas. There is an equity, a fairness, of access. That geographical consideration has to be stressed as this debate continues.

What we see as the issue is what I would describe as a danger. I would not describe it as excessive, oppressive legislation, but I would

mention the danger of excessively oppressive legislation that will destroy the self-governing nature of our professions, which we all know for centuries have been part and parcel of our free enterprise system, bastions of free society, the avant-garde in the progressive changes in western civilization.

If one studies history, one knows very well those who led the French Revolution, which initiated many of the progressive changes following it, were the free, self-governing, independent, autonomous professions. That is the best assurance today against the encroachments of absolute power. Be it in the 18th century or the 20th century, the first action of any totalitarian regime, be it of the right or the left, is to make the professions state servants, slaves of the state, and to destroy their economy totally. That is history and a fact.

Mr. J. M. Johnson: On a point of order, Mr. Speaker: There are only two Liberals in attendance and one more is coming. I do not see a quorum.

Mr. Speaker: A quorum is present. Would the member continue.

Mr. Shymko: Let me tell a story on this whole question of totalitarian regimes. Whenever I refer to it, I get snide little remarks from some members, but I had an opportunity to speak with an individual, an architect by profession, who came from one of the socialist regimes where the professions are totally eliminated.

They are all servants of the state and they all get paid 120 roubles a month. Whether one is a doctor, a lawyer, an engineer or an architect, it is 120 roubles a month. I asked him, "How on earth could you afford to leave your jurisdiction and come to see this great country of ours on a salary of 120 roubles a month?" He said, "The way I survive and financed my ticket is that I build monuments in cemeteries for the deceased of top party brass." For one monument, he collected 1,000 roubles, almost a year's salary.

He told me there was an underground economy. He said, "The only way all our doctors and dentists survive is by the underground economy, the black-market fee service our medical profession uses in order to survive." That is an extreme example, but it is the direction in which we may be moving, because if one looks at some of the jurisdictions in Europe, there is indeed a black market. Talk to some of the physicians in the United Kingdom and in West Germany and they will admit it.

Ms. E. J. Smith: What about rent controls?

Mr. Shymko: Sure. Rent controls–an excellent point. Absolutely. The vacancy rate that exists today is a problem. People pay up to $2,000 to $3,000 just to get access to an apartment. The problem will not be to get access to a five-minute visit with a doctor on an assembly line system of medical care; the problem will be that to get 15 minutes, 20 minutes or half an hour with one's doctor, people will be shelling out money under the table–$50 or $60. It is happening. Honourable members know it is happening in Europe today.

Mr. Wildman: On a point of order, Mr. Speaker: Is it really in order for an honourable member of this House to impugn the integrity of the medical profession in this way?

Mr. Speaker: It is in order for a member to express his or her point of view.

Mr. Shymko: That is the last thing I would do. I am pointing out the dangers and the realities that exist. Our doctors are concerned about this possibility. This is why they do not want to have a system in place–

Interjections.

Mr. Shymko: That party has lawyers in its caucus. They can read every week how many disbarred lawyers there are in this province. Sure, we are not infallible. Temptations are there. Just look at the record; read the papers. It is a possibility that I do not want to see and that no one wants to see. At least we have what the present Premier has called a safety valve–a phrase coined by the Premier. Opting out for physicians is a safety valve, even for such terrible temptations or possibilities–

Hon. Mr. Bradley: On a point of order, Mr. Speaker: Ordinarily on second reading, speakers indicate how their party is going to vote. This speaker has not done so. Perhaps you can instruct him to do so.

Mr. Speaker: Order. I do not know whether the member was trying to place a question there or what, but I do not believe that is a point of order.

Mr. Shymko: I would not mind answering the question, but we will have to wait for the circumstances when that honourable member will be on this side and will be asking questions. Imagine the gall of trying to force me to take a position.

Mr. Polsinelli: He means he has not been instructed yet.

Mr. Shymko: I am open. I have concerns. I have a dilemma. I want the minister to help me. I

am trying to assist him in expressing the concerns and some of the contradictions and pitfalls of the legislation.

Hon. Mr. Bradley: Those members flip-flopped on the Workers' Compensation Board.

Mr. Shymko: There will be options. We will talk about options in a few minutes. I have a whole set of options for the minister, but give me time; this is only my introduction. We have time. If members do not have time to sit down with the members of the medical profession and discuss this legislation with them, at least give time to honourable members.

10:10 p.m.

Let me go back to my architect friend. I said: "This is a dilemma. You earn 120 roubles a month. How can you survive with this underground economy?" He said: "There are resolutions to this problem. When Mr. Chernenko was the head of the Politburo or the Presidium, as a former teacher he raised the fees of all the teachers in our jurisdiction. When Mr. Andropov came in, as a former head of the internal security police, he said he would raise the salaries of that group of professionals. Now that we have the present head of our jurisdiction"–whose name escapes me; some honourable members may help–"Mr. Gorbachov, as an engineer, it may well be that we are expecting the fees for all engineers to go up in the next few months. So I am waiting until we get an architect who will become the head of our state so perhaps my fees will increase."

I look at the member for Humber. If the member for Humber, who is a practising member of the medical profession, a psychiatrist, were the Premier, he would have been very cautious in the approach the government has taken. For one thing, he would have made sure the profession was consulted and that meetings were held, because that is the only way. There are too many lawyers in cabinet. The government needs a little more diversity, a more representative cabinet. Maybe then it will have a more realistic approach to the pitfalls of this legislation. If the member for Humber were Premier or Minister of Health, and I am sure he qualifies with his talents, he would have done a much better job.

The issue is an attack on one of the best health systems in the world, and that is admitted by every poll, including the poll taken by the member for Brampton. I have taken a poll. I will tell the members the results in a minute. I took a poll in my riding. All polls indicate that 85 per cent of the citizens of this great province say we have the best health system in the world. How many have had problems with the health system? Fifteen per cent of those polled said they had problems. The rest are happy. Why is the government making a scapegoat of the medical profession?

The issue here is the protection of the system. That is what our remarks on this side of the House are all about; to protect a system that provides accessibility with a constantly diminishing reduction of opted-out physicians to protect our patients and their freedom of choice in selecting doctors.

I will read some of the remarks from my constituents. We have Queen's Park reports. I will give the members statistics. Who will ultimately suffer? Do the members know who will suffer? The patients, because the government will lead this province into circumstances where the reality will be an environment that we find today in the United Kingdom.

Do the members want to hear horror stories? I ask my colleagues from the NDP about horror stories. They will hear horror stories about the medical health system in the United Kingdom and then we will listen to the answers. There are enough horror stories–not once a week but one or two a day–that we will be presenting to the members about the system in the United Kingdom. That is exactly what the NDP wants. Who will suffer? The nine million people of this province will suffer, the patients will suffer ultimately.

Mr. Villeneuve: Let us talk about the system in the United Kingdom.

Mr. Shymko: I do not have all the statistics.

Mr. Speaker: Order. I wonder if I could invite any of the members who are interjecting to come and see what it sounds like from here. Would any of you like to try? The member for High Park-Swansea is speaking. Please let the member speak.

Mr. Shymko: Let me quote Greg Parent, who has a column on medicine in the Toronto Sun, favourite reading for the members of the New Democratic Party. In an article on December 22, this is what Mr. Parent had to say:

"When Britain, at the urging of the unions, made doctors state workers, their health care system crumbled. They wound up with a system that encouraged under-the-table payments to physicians by patients who did not want to queue up to see their doctor."

I am not saying this. A prominent journalist and an expert in the medical profession is saying this.

I will continue and I ask the honourable members to listen to this. "Today the British unions are insisting on private care in their contracts because the public system they created is not good enough."

It is the unionized workers of Britain who are opting out to the private sector for private insurance and private care in their contracts. Do the members know what institution is growing at an unparalleled pace? It is the private insurance companies in Britain. It is unparalleled. Having moved in the direction in which this legislation is leading this province, they have reached an impasse where there is a two-tiered system in the United Kingdom, one private and one public, and the public is opting for the private one.

That is exactly what the government is doing. It is not a decision made by the upper oligarchy of Britain. These are choices that are being made by the working class of the United Kingdom, I remind the members of the New Democratic Party and the Liberal Party in power, under whose protection and urging this absurd, ridiculous piece of trash is being introduced.

I would like to continue by ending with this great quotation from Greg Parent.

Hon. Mr. Bradley: Are you going to weasel the way you did on the other bill? Are you voting on the bill the same way you voted on the pharmacists' bill? The party is split completely; as it is on Sunday shopping.

Mr. Shymko: I would like to ask my colleague to refrain from his remarks.

"Throughout Europe where socialized medicine is the rule, strikes and under-the-table cash payments are commonplace. Even Ontario doctors who do not extra bill see this as the first step in that direction."

It is a sexy issue, a populist issue. The present party in power seems to be picking these attractive or populist issues. One takes a populist opinion poll and asks people, "What do you want in this area?" They answer, "Make the rich pay." The rich are paying now. If I were to define this legislation, it is to make the poor pay. That is what it is all about, because the rich are paying, financing and subsidizing.

Hon. Mr. Elston: That is not right.

Mr. Shymko: It is not right? Let us take a look at some figures. The minister knows very well that as a result of this Ontario health insurance plan premium rates will go up because he has to cover the increases in doctors' fees that he will then negotiate.

We may lose $50 million a year because of the arbitrary federal decision started by Monique Bégin, but now the costs will not be $50 million; they will be a minimum of $100 million and I calculate they will be $150 million. That will be the cost to the taxpayers of this province of the ban on extra billing.

10:20 p.m.

In 1981, the British Columbia agreement resulted in a 40 per cent gross increase in doctors' fees. When they banned it in British Columbia, the result was a 40 per cent increase in doctors' fees. That is exactly what the government will do to the patients and the citizens of this province. It has happened in other jurisdictions. Why does the minister not take an example? Why does he not do some research? That is exactly what he will have to do. He knows that happened in other jurisdictions. Doctors can still extra bill despite all that in some jurisdictions. The result, as I said, is to make the poor pay. That is what this legislation is all about.

Hon. Mr. Bradley: Is the member going to vote for the bill?

Mr. Shymko: Does the member know what the law now is, the present cliché of the Liberal government in power? What is popular is right. I will give him an example.

Hon. Mr. Bradley: Is the member voting for the bill? He does not want to tell us how he is voting.

Mr. Shymko: I will tell the member I am an abolitionist. I do not believe in capital punishment, but if what is popular is right the minister would have to introduce a lot of changes as a lawmaker. If he took a poll on capital punishment in his riding, I am sure the answer would be 80 per cent or 90 per cent in favour.

For lawmakers, what is popular is not necessarily just, not necessarily fair and not necessarily wise. What is popular is not necessarily conducive to the welfare of a society and does not necessarily safeguard the fundamental principles and values that characterize the essence, the nature and the fabric of this society with its free, self-governing professions whom the minister would like to change into civil servants.

Hon. Mr. Bradley: Is the member voting for the bill?

Mr. Shymko: I will tell the member that what is popular is not necessarily right. Give us enough time. The minister is going on the basis of public opinion, and public opinion may change. I mentioned a two-tiered system. This is a global village.

Hon. Mr. Bradley: Is the member voting for the bill? Why will he not tell us?

Mr. Speaker: Order. I have heard the same question repeated I do not know how many times.

Hon. Mr. Bradley: But the member has not answered it yet.

Mr. Speaker: Order. There is a tradition in parliament that any member has the right to stand and ask another member if he or she will accept the question. If he or she will not, then the member is supposed to take his or her place and remain silent.

Hon. Mr. Bradley: Will the member accept the question?

Mr. Shymko: I will accept the question when I am on the other side and that may not be long.

I have taken a poll. We all take opinion polls. When I was a member in Ottawa, I took a poll on capital punishment. The results were frightening, because 80 per cent said, "Hang them." According to Edmund Burke and some of the great political philosophers, however, an elected representative is not elected to rule by referendum or to rule by opinion polls. In my case, as in the case of a number of governments, one does not legislate everything that is popular; at least I hope not.

I will give members some examples. It will boomerang. Do the members want to know about the poll in my riding, in my first Queen's Park report following the election? I had five questions and one was, "Do you favour an end to all extra billing by Ontario doctors?" I had 615 replies, of which 385 said, "Yes, we favour an end to all extra billing in Ontario" and 230 said, "No."

There were also comments. Out of 13 comments, two people commented who agreed with banning extra billing, but 11 commented who opted for the present system; in other words, maintaining the status quo. Those who wanted to maintain the status quo said such things as: "Dentists are not regulated. Why should doctors be? Specialists should be allowed to extra bill but not GPs. After such intensive training and because of the enormous responsibility and long hours, doctors should be compensated. Quality is better than quantity. Let us keep the good ones in Ontario."

This is the people talking. "Why penalize only the medical profession?" they ask. "Extra billing should not be banned. These are professionals not civil servants." Here is another comment from the people, not from me: "Let the doctors set the fees. Let the patients decide which doctor to see." It almost rhymes; a poem.

Another one: "I think extra billing prevents abuse of OHIP by patients. Let the patients pay a portion." That is an interesting comment. Another one: "Banning extra billing would reduce medical care to a uniformly low level by reducing the time physicians can devote to each patient."

This is the perception of the public; not the majority, not the 60 per cent. This is the 40 per cent, but they were the most adamant in writing comments.

Hon. Mr. Bradley: Who were they? Who was writing those comments? The member knows who they are.

Mr. Shymko: Public opinion may change, give it time and it will change.

The last one: "If specialists with many years of experience could receive extra compensation within OHIP, I would prefer ending extra billing; but you and I receive more money as we become more professional and experienced, why shouldn't they?" Perhaps there will be some amendment for merit pay, I do not know.

These are views of constituents, the people we are serving. I want to continue by referring to a Supreme Court challenge. I do not recall the remark the minister made, but it may not have any relevance to his legislation. Dr. Jim McPhee from Thornhill took up the challenge of the Canada Health Act and it is before the Supreme Court. He calls it unconstitutional.

Do members know who made the suggestion that this go before the Supreme Court? The present Attorney General, when he was the legal counsel to the Canadian Medical Association, advised that this go before the Supreme Court as a constitutional challenge; imagine that.

That is an ideal question for question period, probably by our Health critic. I cannot understand that the present Attorney General, when counsel to the Canadian Medical Association, suggested the federal legislation go before the Supreme Court as unconstitutional and as a member of the cabinet of this government he is supporting a piece of legislation which may not be constitutional because it addresses the reality of a federal government which is penalizing it by $50 million a year.

Instead of fighting established programs financing in health and post-secondary education the way the Premier has done at the first ministers' conference, for which I compliment and admire him because he followed the example of Bill Davis and the member for Muskoka, to protect the interests of this province the government should say: "The $50 million penalty per year is unfair. You should not penalize us at a

time of fiscal constraint. When we can barely survive, maintaining our health care system, when capital costs for hospitals are escalating, when we can barely finance acute care beds, hospital beds, nursing home beds, you should not introduce draconian measures such as these."

That is what the Premier should be saying, not playing a little game of picking the medical profession as a scapegoat. Given the time, a few days and weeks, the people of this province will realize the silly game the minister is playing with this piece of legislation.

I would like to conclude with a remark from Laura Sabia. "We can now look forward to assembly-line medicine where doctors become state employees. When that happened in Britain, good health care collapsed. It will be collapsing here too. Research will decline and excellence will hold no value." She says doctors in Ontario are being used as scapegoats to cover up a lack of adequate hospital funding, beds and equipment. It is as simple as that. I conclude my remarks.

On motion by Mr. Shymko, the debate was adjourned.

Mr. Wildman: On a point of order, Mr. Speaker: Let the record show that the member who has spoken at great length has not once said whether he will support the bill on second reading.

The House adjourned at 10:30 p.m.

CONTENTS

Tuesday, January 14, 1986

Second reading

Health Care Accessibility Act, Bill 94, Mr. Elston, Mr. Pope, Mr. D. S. Cooke, Mr. Shymko, adjourned 3091

Other business

Adjournment 3116

SPEAKERS IN THIS ISSUE

Bradley, Hon. J. J., Minister of the Environment (St. Catharines L)
Callahan, R. V. (Brampton L)
Caplan, Hon. E., Chairman of Management Board of Cabinet and Minister of Government Services (Oriole L)
Cooke, D. S. (Windsor-Riverside NDP)
Elston, Hon. M. J., Minister of Health (Huron-Bruce L)
Grande, T. (Oakwood NDP)
Gregory, M. E. C. (Mississauga East PC)
Johnson, J. M. (Wellington-Dufferin-Peel PC)
McClellan, R. A. (Bellwoods NDP)
Morin, G. E., Deputy Chairman and Acting Speaker (Carleton East L)
Polsinelli, C. (Yorkview L)
Pope, A. W. (Cochrane South PC)
Riddell, Hon. J. K., Minister of Agriculture and Food (Huron-Middlesex L)
Shymko, Y. R. (High Park-Swansea PC)
Smith, E. J. (London South L)
Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)
Villeneuve, N. (Stormont, Dundas and Glengarry PC)
Warner, D. W. (Scarborough-Ellesmere NDP)
Wildman, B. (Algoma NDP)
Wrye, W. M. (Windsor-Sandwich L)

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Clerk of the House: R. G. Lewis, QC

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CONTENTS

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, January 16, 1986

The House met at 2 p.m.

Prayers.

STATEMENTS BY THE MINISTRY

ONTARIO STUDENT ASSISTANCE PROGRAM

Hon. Mr. Sorbara: I am delighted to see that almost seven members of Her Majesty's official opposition have taken time out of their busy schedules to hear the statement.

Mr. Turner: Do not be so self-righteous. The minister should count his own members.

Hon. Mr. Sorbara: It is growing and growing. That is great. It is growing with each minute.

Mr. Speaker: Statement, please.

Hon. Mr. Sorbara: The Treasurer (Mr. Nixon) announced on October 24, 1985, that funding for the Ontario student assistance program had been increased by eight per cent for 1986-87. This means that the budget for the program will increase from $135 million to $145.8 million. I want to give the House some details of the allocation of the increase in funding and certain improvements being made to the plan for the coming academic year.

Mr. Warner: On a point of order, Mr. Speaker: I would appreciate a copy of the statement.

Mr. Speaker: Do any other members have copies?

Hon. Mr. Sorbara: My understanding is that the member for Beaches-Woodbine (Ms. Bryden) is the critic, so it may be on her desk.

Mr. Speaker: Please continue.

Hon. Mr. Sorbara: This will be the government's first step towards the revitalization of OSAP. The House will be aware that my ministry is currently undertaking a major and more comprehensive review of the program. Once completed, that review will give rise to further and more fundamental changes.

OSAP is composed of six plans, four provincial and two federal. The largest component in terms of government expenditure is the Ontario student grant plan. A total of $129.6 million has been assigned to this plan. It is to this plan that most of the additional funds will be directed.

Over the past seven years, inflation has increased by 74.4 per cent and the increase in applications to OSAP has been 46 per cent. During the same period, funding for OSAP has increased by only 73.8 per cent. This allowed the program to deal with the growth of applications but was inadequate to deal with inflation.

Consequently, our first priority will be to lessen the amount that parents from low-income families will have to contribute. This will translate into greater grant awards and correspondingly lower loans for most students from low-income families. A student attending university, from a family of three children with a total income of $20,000, will receive $4,520 in grant assistance, an increase of $600, or 15.3 per cent, compared to the previous year.

If parents of low-income students are unable to make the expected parental contribution in the grant criteria, the student can usually obtain this amount through the negotiation of student loans. The net effect of the enriched grant plan, therefore, will be a reduction in the amount of loan that students must assume in obtaining a post-secondary education.

The issue most frequently raised with me is debt load. Students have been forced to assume increasingly large loans in order to attend and complete their post-secondary education. These changes will address that issue.

The second priority is directed to married students and involves the method of calculating their entitlement to grant assistance. The present program does not adequately recognize the level of living costs faced by the married student. This applies particularly to those married students whose spouses are employed in low-income positions and/or who have children in their families. In addition, the spouses of married students are currently required to make contributions that are unrealistic in the light of today's living costs. Both of these inadequacies in the program will be addressed this coming year.

The present approach is to expect that all discretionary funds of the spouse be directed to the student's education. The new method of calculating the student's entitlement will provide

a far more realistic level of discretionary income at which a contribution begins. In addition, it will require that only a portion of that discretionary income be directed to spousal support. With the proposed changes, married students will receive more in grant assistance.

Further enrichments to the program include a four per cent increase to most costs and allowances in the program, including an increase in the personal and living allowance.

De plus, les étudiants inscrits à temps partiel aux universités, aux collèges et aux écoles privées de formation professionnelle feront l'objet d'une attention particulière. Il en sera de même pour les étudiants qui suivent des cours de perfectionnement dans les collèges d'arts appliqués et de technologie.

The Ontario special bursary program, which provides support in these areas, has been increased by 33 per cent from $1.35 million to $1.8 million. The Ontario work study program, which is a cost-shared program with the college or university or other nonprofit agency, is being expanded as well. Its budget is increased by 60 per cent from $500,000 to $800,000.

The work study program provides some relief to students who have financial need over that met by the Ontario student assistance program or who do not wish to assume additional student loan debt. Instead, it may be possible for them to obtain employment on campus through this program and to perform work that would otherwise not be accomplished. Some examples of work being done through this program are students who are employed to help a professor update research files and students who are employed as editorial assistants.

Details regarding the Ontario student loan plan are not final, as they usually correspond to the federal Canada student loan program for full-time students and the federal loan criteria have not been provided to us as of this date.

Comme je l'ai mentionné plus tôt, il s'agit de la première phase de la révision complète dont le régime d'aide financière aux étudiants de l'Ontario fera l'objet. Je mène présentement une enqu te interne sur toutes les politiques de ce régime.

We have already received helpful comments and advice in that regard from various groups and individuals on several aspects of the program. The modifications I have announced today make OSAP the best student assistance program in Canada and should improve access to our post-secondary institutions for all Ontario students.

2:10 p.m.

URBAN TRANSPORTATION DEVELOPMENT CORP.

Hon. Mr. Fulton: I would like to bring the honourable members up to date with respect to matters relating to the Urban Transportation Development Corp., or UTDC.

As members will know, Ontario has held extensive discussions with a number of parties. After these discussions, it was determined that three Canadian companies prequalified for the process of gaining access to appropriate data to enable them to prepare firm bids.

Of the three, one has withdrawn and two others, Bombardier Inc. and Lavalin Inc., have posted $1-million deposits with the agents of the province of Ontario, Wood Gundy Inc.

Both parties have done so after agreeing to a formal process respecting access to confidential information relating to the UTDC. The process binds interested parties to respect the confidentiality of the documents they may see. No party may copy or remove any documents from a strictly secured area.

The formal process of examining information began on Wednesday, January 15, 1986, and will conclude on Tuesday, February 11, 1986, at which time it is expected that both parties will be making formal, unconditional bids.

During this period, we have already spoken with an employee group from Thunder Bay and are expecting an approach from a similar group in Kingston. Provided these groups meet the same prequalification conditions as were imposed on Bombardier and Lavalin, they will be provided equal access to the appropriate information.

DRUG SUBSTITUTES

Hon. Mr. Elston: In the past few days, certain charges have been made in this House, notably by the Leader of the Opposition (Mr. Grossman), regarding the interchangeability of drugs listed in the Ontario Drug Benefit Formulary.

The opposition leader has expressed his concern that certain drugs listed in the formulary as interchangeable may not, in fact, be equivalent, and that as a result some prescription drug users in Ontario might be being exposed to harmful side-effects. It would also appear that the Leader of the Opposition has received a copy or copies of correspondence sent to me by the Ontario Medical Association, in which the OMA has raised a similar concern.

In addition, the member for Windsor-Riverside (Mr. D. S. Cooke) has questioned the

procedure as to how drugs are designated as interchangeable in this province. He has claimed that there now is "no mechanism for making that decision other than the ministry itself."

Before responding to these statements specifically, I point out that product selection of interchangeable drugs has been permitted in this province since 1972. During that 14-year period, there has been no record of any major difficulty, and the program has received wide acceptance among the province's physicians. Evidence of this professional acceptance is witnessed by the fact that less than one half of one per cent of Ontario drug benefit prescriptions are marked "no substitution" by prescribing physicians.

Let me now respond to the statements that have been made by the members.

Regarding the opposition leader's concern about the interchangeability of certain drugs, a concern he says he shares with the OMA, I have in my hand the Ontario Drug Benefit Formulary published in January 1985, the last ODB formulary to be published in this province. I am certain the Leader of the Opposition must be aware, along with every other member of this House, that this formulary and its listing of interchangeable products was published during the time of the previous Conservative government.

Because of a court challenge brought on by one drug manufacturer, our government has been delayed in producing a new formulary despite our intentions to do so. All interchangeable drugs that have been sold in Ontario since our government took office have been those designated by the January 1985 ODB formulary.

I therefore find it highly unusual that the opposition leader's concern about a supposed threat from the interchangeable drugs available in this province should arise from a formulary produced by the administration in which he himself was a cabinet minister. I also find it unusual that he should assume such a partisan role in this matter on the side of certain drug manufacturers, the multinationals, and some members of the Ontario Pharmacists' Association.

The advertising campaign that these two groups have waged in recent weeks about our government's proposed pharmacy legislation has done a great deal to create uncertainty and confusion in the public mind, especially among Ontario senior citizens who would appear to be the special target of this advertising effort.

I do not believe it becomes the Leader of the Opposition to join in this campaign or to be associated with a public persuasion tactic that has circulated misinformation, inaccuracy and exaggeration about the new drug legislation. This advertising campaign has led to unnecessary fear and anxiety among many sick and elderly people in this province. It is not a venture in which I believe anyone could be proud to have played a part.

Let me say once more that senior citizens' groups and consumer organizations have given me their personal assurance that they support the legislation.

Regarding the concerns of the Ontario Medical Association, upon receiving the OMA letter I referred it immediately to the ministry's drug quality and therapeutics committee, requesting it to advise me as to what actions, if any, should be taken. The committee will consider the matter at its next meeting, to be held early in February. I then expect to be able to report to this House its recommendations regarding specific drugs mentioned in the correspondence.

Over the years, the ministry's drug quality and therapeutics committee has maintained a close liaison with the Ontario Medical Association. Any OMA advice and concerns on drug-related matters have been taken seriously and treated promptly by that committee, as will the issues raised in the letter I recently received.

Regarding the process by which drugs are designated to be interchangeable in this province, I wish to make the following comments.

In 1969, the federal Patent Act was amended to permit the increased availability of generic drugs throughout Canada. This federal action was taken to create a more competitive market for drug manufacturers and to ensure that quality, low-cost drug products were available to Canadians.

Before any drug receives approval for sale, its manufacturer must prove to the health protection branch of the federal Department of National Health and Welfare that the product is safe and effective for a particular therapeutic need. Every generic drug is examined against these criteria with the similar brand-name product. When test results are proved satisfactory, the drug is then issued a notice of compliance and is permitted to be sold in this country.

Both the Eastman report and the Gordon commission report have verified that because generic drugs are available in this country, millions of dollars have been saved by Canadian consumers. Here in Ontario, the Gordon commission report has estimated those savings to be in the area of some $23 million annually.

In 1972, when the product selection of interchangeable drugs was legislated in Ontario, the drug quality and therapeutics committee was established to advise and make recommendations to the minister on the drugs that are to be designated interchangeable.

The DQTC is made up of experts in the fields of medicine, pharmacy and pharmacology. This external committee continues to review and evaluate all drug products, their composition and manufacture, as well as the current data on their therapeutic effects.

When a drug manufacturer wishes to have a product designated as interchangeable in Ontario, detailed reports on study and testing must be submitted. The ministry's drug quality and therapeutics committee examines each submission, carries out testing to verify the accuracy and makes a recommendation to the minister. This advice is then taken to cabinet for final approval.

Over the past number of years, the amount of information that drug manufacturers must provide to the drug quality and therapeutics committee has been increased substantially. As a result, the protection offered to consumers with respect to interchangeable drugs today in Ontario is greater than it has ever been. Ontario's decisions on many drug matters are used as a guideline by other provinces to determine their interchangeable products.

Our proposed legislation on Ontario drug benefit pricing and our new consumer protection bill will make no changes in this drug approval process that has served us well. I have every confidence that the expert work of the drug quality and therapeutics committee will continue to protect the interests of the people of this province.

The objective of our new drug legislation is to see that high-quality, low-cost drugs are available to the people of Ontario whether they are covered under a drug benefit plan or make their purchases in the cash market.

Our proposed legislation will ensure that objective and it will provide every needed protection to prescription drug consumers in Ontario.

ORAL QUESTIONS

ONTARIO INSTITUTE FOR STUDIES IN EDUCATION

Mr. McFadden: I have a question for the Treasurer. The president of the University of Toronto stated yesterday at the standing committee on social development that the programs offered by the Ontario Institute for Studies in Education are unique and are not duplicated by the University of Toronto. Dr. Connell went on to say that the only possible area of duplication might be in the area of administration, which represents only five per cent of OISE's budget, but that he was not sure if any savings could be made even in that area.

Since the stated basis for the proposal in the budget for the transfer of OISE was the elimination of duplication, will the Treasurer now agree to withdraw this budget proposal?

2:20 p.m.

Hon. Mr. Nixon: No, but I point out to the honourable member that five per cent of $27 million is not an insignificant amount of money.

I was interested in the report of the hearings yesterday that indicated the University of Toronto was seen by some as being somewhat inadequate in education research, the teaching of pedagogy and providing assistance to the community in that regard. It goes back to the comment I made when this matter was raised by the member and others some weeks ago.

The uniting of these two impressive organizations, in my view, would be for the benefit of both. Obviously, the University of Toronto would have the benefit of an improved educational faculty with widely accepted research capabilities and community involvement. The Ontario Institute for Studies in Education would have the justification of a degree-granting privilege on a permanent basis, rather than one it must negotiate on a regular basis, for reasons that are more obscure now than perhaps they were some years ago.

In a situation that was dealt with quite fully by the committee yesterday, the concept was for the benefit of both. The idea of allowing OISE to come under the jurisdiction of the University of Toronto on an administrative basis was surely not with any thought of removing the vaunted post-secondary autonomy; it was with the commitment that the transference of funds from the government for the purpose would be in no way reduced.

Mr. McFadden: It would appear there is a difference of opinion as to the value of this transfer from the point of view of education. I would like to go to one area with regard to duplication.

One of the things that has been important for OISE has been the involvement of the education community generally in both the management operation and the focus of that institution. The only area of duplication the Treasurer focused on several weeks ago, when asked about duplication

that could be eliminated by the transfer, was the board of governors, which would not be needed any longer.

Yesterday in the committee, OISE stated the total cost of operating the board was $70,000, most of which was used in transportation costs for bringing board members to Toronto to participate in the board meetings.

Mr. Speaker: Question, please.

Mr. McFadden: In his previous response and what he is now saying, is the Treasurer stating it is undesirable to have the participation of board members from northern, eastern and southwestern Ontario in an institute that establishes policy which provides services throughout the province?

Hon. Mr. Nixon: I prefer the justification put forward by the member in the first part of his question, when he spoke about a saving of five per cent of the all-in cost. Five per cent of $27 million is a little more impressive than the amount I had in mind; so I am with him on that. I thought I would mention that.

An hon. member: That is not what he said.

Hon. Mr. Nixon: I am sure the member and the interjecting former minister, who is not in her seat, would be aware that the Ontario College of Education, now the faculty of education–that sacred institution which I and a number of others here attended in years gone by and where we got all we ever learned about pedagogy on a formal basis, which is an indication of its excellence–operates under the jurisdiction of the University of Toronto. However, graduate and research work is in an institution separated from that.

I hesitate to use the word "rationalization" because it has pejorative overtones in the minds of some unreconstructed educationists, but it is the only word that can be used when one sees these two closely allied responsibilities separated by Bloor Street; separated by boards and concepts of finance which we, or at least I, feel could be amalgamated in a way that would benefit both. I hope and trust in the future this can be accomplished.

Mr. Rae: Is the Treasurer aware that as a result of his impetuous and churlish announcement in his budget, an impetuosity that has not been either reconstructed or reformed in the two months since then, it is the announcement of that unilateral fiat, that ukase from the Treasurer's office, that has resulted in a complete halt to negotiations between the University of Toronto and OISE?

If the Treasurer were seriously interested in having negotiations resume between those two institutions he is so interested in bringing together, surely he would realize it and do the decent thing: withdraw his announcement and let the parties sit down and resume negotiations.

Hon. Mr. Nixon: If my ukase results in the complete separation of these organizations for all time, I think it is OISE that must be most concerned, because it will not be able to grant degrees unless they come together in association somewhere.

If the honourable member has read the letter I sent to the chairman of OISE, he will know my strong feeling is that the university ought to provide a continuing degree-granting privilege while these matters are under discussion.

The member is also aware that in the most diplomatic terms I could possibly muster, including some words even the member has not used recently, I indicated that this change in budgetary reform might have to be postponed for a time and that I had hoped the two organizations would continue their discussions so the change could take place in the allocation of funds for post-secondary education for the coming fiscal year.

In a letter the member has seen, since he seems to be one of the guiding forces in all this–in a positive way, of course–I indicated clearly that there is no deadline, but that it is my expectation this goal will be achieved.

Mr. McFadden: We now have gone all around the point. One thing I would not say is that the Treasurer intended in any way to mislead the House, but I would like to clarify one thing I said earlier. The president of the University of Toronto said he did not think there could be virtually any savings in the five per cent for administration, so that even the administration budget could not be reduced; he did not say that five per cent could be.

Hon. Mr. Nixon: Then the member was misleading.

Mr. McFadden: I am not misleading anyone. I said that was the only area that could have been reduced, and he said he could not get substantial savings. However, the important point is–

Mr. Speaker: Order. Will the member please place his supplementary question?

Mr. McFadden: The Treasurer now has stated that one of his reasons is not elimination of duplication; it is in some way for quality of education. The fact is that the current area of uncertainty is creating tremendous ill will be-

tween OISE and the University of Toronto. It is creating a level of hostility that is going to make any future working relationship very difficult.

Mr. Speaker: Order. Does the Treasurer agree?

Hon. Mr. Nixon: I would certainly–

Mr. McFadden: I was about to finish my question.

Mr. Speaker: Order. With respect to the member, I asked him previously to place his question. He went on making other points. Will he place his question quickly?

Mr. McFadden: I will. In view of the air of uncertainty and hostility created, will the Treasurer withdraw the budget proposal in the best interests of OISE, the faculty of education and education generally in Ontario?

Hon. Mr. Nixon: No. If there is any uncertainty, it is because of the unwillingness of the board of OISE to follow the lead established in the budget. If they have refused to do that, then I expect the discussions will continue and I hope they will do so. These are men and women of goodwill, all committed to carrying on educational procedures of quality almost entirely funded by the allocations of money from this Legislature and from the taxpayers.

I hope not only that we can save money but also that we can increase the effectiveness of both organizations. I feel that in the long run this can be achieved without goodwill–I should say with goodwill, but without–

Mr. Gordon: Without?

Interjections.

2:30 p.m.

Hon. Mr. Nixon: I mean that; I am sorry–without the decrease in goodwill the member is predicting, because these people are sensible, well educated and share a common goal to provide good educational research and facilities in this province.

INSURANCE RATES

Mr. Davis: I have a question for the Minister of Consumer and Commercial Relations. The minister should be aware that the Moose Factory Island District School Area Board is operating with absolutely no liability insurance in a building that is just more than a year old with a state-of-the-art fire and property protection system built by the board, which has not made a claim for as much as a broken window since its inception in 1965. Officials of the Ministry of Education have told the board, in essence, that it will have to find its own insurance.

What will the minister tell the parents of more than 330 students should a tragic accident occur on board property and no compensation is provided?

Hon. Mr. Kwinter: The Moose Factory school situation is unique. From my conversations with people in the insurance industry, I believe they are trying to resolve the problem. Contrary to the statement the honourable member has made that there have been no claims, it seems to me it is a very high-risk area and they have had some very serious problems.

We are looking at that problem. We are using our market assist program to help them and we are referring other insurance companies there. I am confident we will resolve it.

Mr. Runciman: That is the standard answer: "We are looking at it."

Almost all reinsurance companies are internationally operated, with specialized risk being placed in reinsurance exchanges. The international reinsurers view North America as a single market; so Ontario, where judgements have been reasonable, is lumped together with markets like California.

If the minister has not made the distinction between Ontario and other North American markets clear to the European reinsurers, will he do so now? Has he endeavoured or will he endeavour to ensure that Ontario's agent general in London or the Canadian High Commissioner to Britain represent our interest to Lloyd's of London and other companies?

Hon. Mr. Kwinter: I find that comment very interesting. When I mentioned last week that we are considered that way in the reinsurance market, I had nothing but derision from members on the the other side, who said: "Why are you talking about these other places? Talk about Ontario." Now the honourable member is telling me to go back and tell them Ontario is different.

I am meeting tomorrow with my counterpart in Ottawa, Barbara McDougall. We are going to address that issue because the federal government has the responsibility, not only for Ontario but also for all Canada, of letting the international market know we are not part of the United States.

Mr. Swart: Will the minister not recognize that there are going to be many more economic consequences, such as the one raised and the one that was in the paper about A. McGillivray Chemicals, which folded after 41 years because of its inability to get insurance?

Will the minister call in the insurance companies and issue a directive that they shall renew policies, and at a reasonable rate, during the three months the task force is sitting, and that he will hold them to retroactive legislation, if necessary, for justification of the rates they are charging during the next three months?

Hon. Mr. Kwinter: I cannot bring in the free enterprise sector of the market and compel insurers to write business they do not want to write. Our task force is looking at this and we will make recommendations. I am meeting with the Association of Municipalities of Ontario this afternoon and we will come up with a resolution.

Mr. Davis: With all due respect to the minister, I would like him to answer a question that I think is very important. It is all right to sit over there and dance around saying he is going to consult with people. The minister has known the situation has existed for more than six months and he has done absolutely nothing about it. What is he going to tell the parents in Moose Factory tomorrow morning about liability coverage for their children?

Hon. Mr. Kwinter: I repeat that Moose Factory is a very special situation, and we are doing what we can to help the people there. When we get a resolution, we will pass it on to it. There is nothing else I can do now.

OVERTIME WORKERS

Mr. Rae: I have a question for the Minister of Labour. He may be interested to know that December 1985 was a watershed month in the history of the province. For the first time in our history, more than one million Ontario workers put in overtime hours. For the first time, 528,000 workers worked more than 50 hours a week, and 507,000 worked between 41 and 49 hours in the week of the survey.

Is the minister aware that these 7,815,000 additional hours represent 195,375 weeks of work at 40 hours, or enough work for nearly 200,000 workers in Ontario? When is he going to do something to ensure that 200,000 people are not prevented from working by virtue of the fact that he is not doing anything about the hours of work in this province?

Hon. Mr. Wrye: I thank the honourable member for his question. It gives me the opportunity, which he would not want me to miss, to congratulate my colleague the Treasurer (Mr. Nixon) on producing the kind of budget that has so many people in our province working and has the economy as buoyant as it is.

I would not want my friend to leave the impression that this amount of overtime could create 200,000 jobs. He understands as well as I that in some places there is no way two or three hours of overtime could produce a job.

Clearly, the government is concerned about the matter. New directives have been given. I have indicated, not only to my officials but also to a number of employers, that the rules in place are going to be enforced more rigorously. I expect to say something quite definitive on that in this House in a short while.

Clearly, the government has a degree of concern about the amount of overtime being worked. My friend would want to acknowledge that this is a very complex problem for which both union and management have not provided any fully adequate solutions.

Mr. Rae: The minister's answers are even more pathetic and weaker than they were last fall, when he said he was going to be issuing the directives. Since we asked him the first question, the month of December has come and gone. He talked with officials in November, yet we found that in December there were more people working overtime and longer hours.

Why is the minister refusing to take action to ensure more people have access to employment, jobs and leisure in the province so that people are not forced to work extra hours against their will? When is he going to see it is done in a way that is fair to this province rather than sitting on his hands and doing nothing about this real problem for the working people?

Hon. Mr. Wrye: I understand what the member is saying, but I must reject it because he has offered absolutely no proof that some workers do not wish to work this overtime. Hours of work are voluntary after 48 hours–

Mr. Martel: Oh, come off it. Both locals have written to you from–

Hon. Mr. Wrye: If my friend the member for Sudbury East (Mr. Martel) does not understand that, I will share with him the views and concerns raised with me by a union president who said there were workers in a plant in Windsor working large amounts of overtime voluntarily, which we are investigating, in spite of requests he made to the workers that the overtime be cut back. The workers rejected that.

There is not an easy answer. Before we come up with some facile solutions to this problem that hurt the economy of this province, the member will want to think this issue out a little more carefully.

2:40 p.m.

Mr. Gillies: All members of the House know that many people work overtime not because they have to but because they want to. That is not the issue.

The minister has known of the concern of many members of this House over this issue since the day he was appointed. With 125,000 young people unemployed in this province, how can he sit by and give the kind of answer he has given to the member for York South (Mr. Rae)? He has known about it for months. When is he going to move on overtime permits and put some of these jobs back into the unemployment sector where they belong?

Hon. Mr. Wrye: I continue to have problems listening to members in that party. Those members give us lectures. When I took office as Minister of Labour, I found we had an Employment Standards Act with some degree of protection that will alleviate unnecessarily large amounts of overtime. The only problem is that the previous government, the Conservative Party, now the official opposition, never worried about ensuring that it was enforced.

Interjections.

Hon. Mr. Wrye: I will tell my friend the member for Don Mills (Mr. Timbrell), we are making sure for the first time in a long time that the act is being enforced and that is something the previous government never did.

Mr. Mackenzie: I am glad to hear the last remark from the minister. On November 29 he told the member for Bellwoods (Mr. McClellan) that his was a new government and he was going to be tough with respect to the issuing of permits. On December 3 he told me he hoped to move on the issue of permits "at least in an interim way in the next few days." Here it is January 16. Is the minister all talk and no action? When are we going to see him move at least in an interim way to trim the use of the permits?

Hon. Mr. Wrye: I am not sure what my friend wishes me to do about permits. The permits have been reissued. I think my friend would understand that, as we are in the very first part of this year, there is no need as yet to be concerned about special permits. That concern will come up in the next short while. I can tell my friend the matter is going to be addressed very shortly.

Mr. Rae: A great comfort that is to people who have been laid off for years and are never going to have access to the work place because those who are working are being forced to work 54 and 50 hours week. The minister knows it and he is not doing anything about it.

Mr. Speaker: Order. I have been keeping track of the time. We have 36 minutes left and there have been only three questions asked.

URBAN TRANSPORTATION DEVELOPMENT CORP.

Mr. Rae: My question is to the Minister of Transportation and Communications about his announcement today on the Urban Transportation Development Corp.

Why is the minister setting down as a precondition for employee groups, either from Thunder Bay or from Kingston, that they put down a $1-million deposit in order to see the books of the company for which they are working? Surely the minister will recognize that they are in a completely different situation with respect to their prospects than competitors who are trying to have a look at the books—in the case of Lavalin, which is not a competitor but a prospective buyer, and in the case of Bombardier, a competitor.

Does the minister not realize that he is creating an enormous barrier for any alternative group that might want to make an application from within the companies themselves?

Hon. Mr. Fulton: I thank the leader of the third party for his question. I am sure the member realizes this is a very serious business. There is a great deal of money involved here; even more than the Tory leadership candidates spent. At each step of the way we are attempting to determine the serious bidders. By imposing certain of these prequalifications we think we have effectively done that.

The Premier (Mr. Peterson) met with representatives from Thunder Bay United Auto Workers this morning and I understand members from Kingston. Mr. White, who had indicated a desire to meet, was unable to be here this morning. We realize that if they are serious and are within the time frame in which they can be considered a serious bidder, we will work with them and we will consider any proposition they may come forward with within that time frame.

Mr. Rae: The minister says in his statement that three Canadian companies prequalified for the process of gaining access and there are now two who posted $1-million deposits. We have no information as to what that prequalification is, although today I have received a copy of some information with respect to the letter that went out to Bombardier asking all sorts of questions.

Obviously, we do not have the answers from Bombardier.

What, precisely, is the minister's definition of prequalification and why is he saying in his statement that he is going to require the workers to put up $1 million–the minister knows the implications of that; he knows how outrageous a suggestion that is to the employees of the plants–before they are going to be allowed to see the books of their company? Does he not realize their jobs are on the line and they are in a completely different situation from competitors? Why is he insisting on the same preconditions for them as he is insisting on for potential buyers who are competitors?

Hon. Mr. Fulton: We are very aware of the position of the employees. We are attempting to protect and enhance those jobs. That is even supported by the survey done by the Belleville newspaper, responding to a previous question in the House this week, in that some of the people mentioned there suspect jobs will be increased as a result of this transaction.

The leader of the third party has received from us today a package of information which outlines for him some of those prequalifications. We are looking at Canadian ownership. We are giving them the information package, as we indicated. We have given them one of the annual reports. We want to make sure they are interested in the entire company, that it be Canadian-owned and that the assurance of jobs be enhanced.

Mr. Hennessy: I will direct my question to the Minister of Transportation and Communications. If the NDP is so sincere about labour, why not break the accord now and threaten the Liberal Party with an election if it sells UTDC?

Mr. Speaker: Minister, do you want to answer?

Interjections.

Mr. Speaker: Order. Will you place your supplementary?

Mr. Hennessy: The government should call an election if it is so good; call it.

If the Liberal government plans to create more jobs, why are the government and Senator Peterson so anxious to get rid of Can-Car Rail when it is making a profit?

Hon. Mr. Bradley: Today is laugh day.

Mr. Hennessy: That member should know; look in the mirror.

There is also the threat that many people at UTDC will lose their jobs if it is sold to outside interests. There is no guarantee that these jobs are going to be protected in any way. Why does he not leave it as it is instead of trying to sell it? Let the government keep UTDC and, I repeat, if the NDP is so sincere, break the accord and let's call an election.

Hon. Mr. Fulton: I am not that familiar with the rules of the House, but I am not sure I can accommodate the member now and say we are going to call an election. I do not think that is within my prerogative.

I would remind the member that it was his colleague and my predecessor, Mr. Snow, and the president, who indicated strongly that the company should be sold. The private sector is suggesting that jobs will be enhanced. I will send the member copies of Hansard to verify that.

The member from Thunder Bay is well aware of the–

Mr. Morin: Fort William.

Hon. Mr. Fulton: Fort William? I thought it was renamed Thunder Bay some time ago. Wherever he is from, the member is very much aware of this government's efforts every step of the way to protect and enhance the jobs of UTDC employees, both in Thunder Bay at Can-Car and in Kingston.

2:50 p.m.

Mr. Rae: The record is very clear. If UTDC is on the auction block today, it is there because the member for St. Andrew-St. Patrick (Mr. Grossman) put crown corporations up for sale when he was the Treasurer. He launched that process in 1984 and that is the history of this process.

Interjections.

Mr. Rae: The truth always hurts and we are seeing them twitch now.

I want to ask the minister about the material he gave me today, the copies of total projected net-income statements that were put forward by UTDC management. The figures show that in 1986 they are anticipating a projected net income–and this is net–of nearly $13 million, next year of $11 million and in 1988 of $15.5 million, for a total by that time of $39 million.

If the corporation ain't broke, why is he so determined to fix this thing? What is it about the selling of crown corporations that has such a horrendous fascination for him and his government?

Hon. Mr. Fulton: With respect, there are some figures that might be updated in a downward trend from those currently before us. I would be happy to provide the member with those figures. I do not think there is any question, even with those figures, that the net balance over the–

Mr. Rae: On a point of order, Mr. Speaker: Is the minister saying he gave me incorrect information?

Hon. Mr. Fulton: No, I have the same information here. The net balance over the 10 years of operation still shows a tremendous loss to the people of Ontario. If there are no orders, there are no jobs and there is no business. That company will require infusions of capital and we believe it should be coming from the private sector.

Mr. Gregory: On a point of privilege, Mr. Speaker.

Mr. Speaker: Could a point of privilege wait until later?

Mr. Gregory: At this point it is very apropos to the question, sir.

I understood the minister to say he had supplied a package of material to the leader of the third party, including prequalification information. I wonder if he would be so kind as to treat us in the same fashion, or is this part of the accord?

Mr. Speaker: Order. I am sure that is not a point of privilege. I suppose it is a point of order. I expect the minister will see that the information is there.

Mr. Rae: On a point of order, Mr. Speaker: I can clear this up. What I have is a copy of a letter from John Kruger to the member for St. Andrew-St. Patrick.

Mr. Gillies: I must start reading my mail more carefully.

FUTURES PROGRAM

Mr. Gillies: My question is for the Minister of Skills Development in regard to his "no futures" program. In view of the fact that he stood in this House on January 6 and said, "The Futures program, in our estimation, has been a marvellous success," I wonder if he would comment on the comments that were made to him about Futures when he was in Thunder Bay.

Mr. Reg Wilson, who runs a program for native youth in that community, said to him that the Futures program is meaningless to many of youth he had to work with. The 16-week training period is inadequate and the program is inaccessible in parts of northern and rural Ontario. He left the minister saying he might have to tinker with the program.

Mr. Speaker: Order. Is your question, "Does the minister agree"?

Mr. Gillies: My question is, what form is this tinkering going to take and will it leave us with a meaningful program?

Hon. Mr. Sorbara: I rarely say I want to thank the honourable member for the question, but this time I want to thank him for the question. I will tell him why.

As I travel around this province from community to community, people involved in the general business of trying to deal with the desperate problem of unemployed young people come up to me voluntarily and say, "Thank you for the Futures program." It happens in Thunder Bay, in Ottawa, in my own riding, in Windsor and in the city of Toronto.

To deal with the specific issue raised by my friend the member for Brantford (Mr. Gillies), yesterday I was in Thunder Bay and we heard submissions from about 50 people, 15 or 20 of whom were making submissions in the area of education and skills training. One of the submissions was from Reg Wilson, who said: "In some instances, certain of our clients have such a degree of illiteracy and such a degree of lack of ability to deal with simple numbers that your Futures program is not sufficient. The pre-employment preparation period is not enough."

I say to the member, that is right. I agree that in certain instances we have situations in which 16 weeks of pre-employment preparation is not enough. If we have to make some adjustments to deal with those individual cases, we will have to look at that.

That does not mean the Futures program is not a success. On the contrary, it is a marvellous success, but it does not deal with every specific instance. Before the Speaker stands up and sits me down, let me say one of our greatest desires is to make the Futures program relevant to the native community. In that regard, I said to Reg, "My ministry officials will contact you to deal with that problem."

Mr. Speaker: Order. When we get into the detail of what he said and she said, I think they should be written questions.

Mr. Gillies: If billboards were jobs, the minister would have a runaway success on his hands. What he has is passing the buck.

The minister has a program in which he has now admitted the problems with the 16-week training program. He has had brought to his attention the accessibility problems. He has a widely publicized toll-free hotline and all it gives anyone across this province is a busy signal. How many people are working today in the Futures program? How close is he going to be at the end of the year to coming even near the money he has–

Mr. Speaker: Order. You have already asked two questions.

Hon. Mr. Sorbara: I cannot tell my friend how many people are working today. The latest figures were for the new program. Since November 4, when the program started, 55 new participants have become involved in the program. That is up to December 31, the latest date for which we have figures. I am very confident the Futures program will fulfil that promise. We are right on target.

Mr. Wildman: I had hoped the minister's comments as quoted in the newspaper, that he was "stunned" about what he learned in Thunder Bay, were an indication this southern Ontario minister had learned a bit about the north and about native people on his trip to the north. His statement today, playing politics with this program, hardly indicates that.

Can the minister indicate not only what efforts he is going to make and what steps he is going to take to ensure that this program more appropriately deals with the problems of illiteracy for youth who have been out of work and out of school for so long that they do not have the skills needed even to qualify or to benefit from his program, but also what attempt he is going to make to ensure there is adequate input from the native communities to ensure this has some relevance to their culture and wellbeing?

Hon. Mr. Sorbara: I simply say to the member for Algoma (Mr. Wildman) that what I was "stunned" about in Thunder Bay yesterday was the magnitude of a problem with a particular, fairly small constituency of people; that is, some native people who have such a degree of illiteracy and inability to deal with simple numbers that pre-employment preparation is not sufficient for them.

I do not pretend in this House, on the street or in public that Futures will respond to absolutely every situation we have in the province. It was never intended for that. However, we are taking steps through a continual monitoring program to ensure that the Futures program is not only relevant in the city of Toronto but in the reserves of the north, in Thunder Bay, in Timmins, in Timiskaming and in every community of this province.

ENVIRONMENT FINES

Mrs. Grier: I have a question for the Minister of the Environment. We understand the ministry staff has been having problems in its pursuit of Dow Chemical because of the absurdly low levels of maximum fines under the Ontario Water Resources Act.

Does the minister not agree that, had he acted on the repeated demands of my party that fines be increased, he would not now be forced to argue about whether perchloroethylene is or is not a waste product? When will the minister act to change this glaring deficiency in our environmental laws?

3 p.m.

Hon. Mr. Bradley: First of all, the member is aware that a prosecution is going on at this time. The individual who is in charge of the prosecution will be recognized as one of the best people we could have in the courtroom dealing with matters of this kind from the Ministry of the Environment. Of course, the member will also recognize that about $1 million has been spent in the cleanup of the spill that has occurred and of other material that was discovered.

To get to the actual question the member asked in regard to the increased fine, I know she will understand that the Ministry of the Environment has indicated it has in the development stage at the present time, and will be bringing forth in the not-too-distant future, penalties that will be increased for those who violate the environmental laws of this province.

She will also know that if one follows carefully the procedures that have taken place in this House, the legislative window for attempting to get anything through this House is extremely narrow because of the amount of time that opposition parties feel is necessary for the legislation that is placed before the House. It is not for me to judge how long the opposition should take with the legislation that comes through.

However, I can recognize the need for it. I have indicated clearly that we will have it. The member can rest assured that we will see it in the not-too-distant future.

Mrs. Grier: I do not think it is good enough for the minister to blame this House for the fact that the legislation has not been put before it. I would remind him that when his party was in opposition, its Environment critic charged that the previous government's refusal to increase the maximum level of fines was sending the wrong signals to the people of Ontario. By not accelerating the introduction of this legislation, he too is guilty of sending the wrong signals to the people of Ontario.

Can the minister give me some assurance that this very simple piece of legislation, which will have support from both sides of this House, will

be introduced in the very near future or, to quote the Attorney General (Mr. Scott), "before the next full moon"?

Hon. Mr. Bradley: First of all, I am exceedingly pleased that the member for Lakeshore is in support of the initiatives that I have indicated this government will be bringing forth.

She would also want to know that the specific legislative initiative that is introduced is the most effective piece of legislation we can bring forward for the consideration of the House, and that any of the mechanisms we might employ within this legislation, some of them quite innovative, would be so effective that jurisdictions all over the world would follow the lead of Ontario.

CANCER TREATMENT CENTRE

Mr. Gordon: I have a question for the Minister of Northern Development and Mines. Two role studies have been done in northeastern Ontario that indicate there is a very real need for a cancer treatment centre in the northeast. The latest study said that in the year 2000 there will be 1,300 new cancer patients a year in northeastern Ontario. Next year we will have reached that number in Sudbury, yet the provincial role study that was recently released treated the problems of cancer treatment, and those patients in the northeast, as merely a footnote, as problematic.

Can the minister give this House a commitment that he will become an advocate for the cancer patients in northeastern Ontario?

L'hon. M. Fontaine: Cela me fait très plaisir de dire à mon ami le député de Sudbury que je vais travailler de tout mon coeur à mes affaires afin que les patients qui sont traités pour le cancer soient traités à Sudbury. Je vais faire mon possible dans ce sens.

Mr. Gordon: With my rudimentary knowledge of the French language, I felt the minister was saying, certainly from the heart, that he would do this.

However, the Ontario Cancer Treatment and Research Foundation says it lacks the money to provide its one third of the capital cost of the new cancer treatment centre for northeastern Ontario. Since he is the minister for the north and can delve into all the various ministries–he has been given quite a mandate by the Premier (Mr. Peterson)–will he give this House another commitment, that in the event the Minister of Health (Mr. Elston) is unable to keep his end of the bargain in seeing that there is a cancer treatment centre for the northeast in Sudbury, his ministry will provide the funds to ensure that centre is built in northeastern Ontario?

Hon. Mr. Fontaine: Over the past few months, the Minister of Health and I have been working together on issues of health. We will try to do the same in regard to cancer and Sudbury.

Mr. Gordon: What are you going to do?

Interjections.

Mr. Speaker: Order.

Mr. Martel: Perhaps we can get the minister to calm down. He is suffering from apoplexy. I ask either the minister or his colleague whether they are going to make money available to proceed with construction this spring.

Hon. Mr. Fontaine: May I, the Minister of Health–

Mr. Breaugh: Just say "Health."

Mr. Martel: They should take their pick. I said either of them.

Mr. Gordon: Is that question too tough for those guys? They do not want the member for Sudbury East (Mr. Martel) to announce it; they want to announce it.

Mr. Speaker: Order. Does the Minister of Northern Development and Mines have an answer?

L'hon. M. Fontaine: Je ne peux pas comprendre ce qu'il m'a demandé, mais je pense qu'il m'a posé deux questions. Alors, je lui réponds que je vais prendre ça en considération.

Mr. Martel: On a point of order, Mr. Speaker: The minister is suggesting I asked two questions. I asked one simple question and he did not answer it: Will the money be made available this building-year to proceed with the construction of the cancer unit during this construction season?

Mr. Speaker: Order. A question was asked and a response was given.

Mr. Gordon: On a point of order, Mr. Speaker: The point is that these people want to make a formal announcement. They do not want it to be made in the House.

Mr. Speaker: Order. That is a point of view.

Mr. Gordon: You keep the people on tenterhooks. They are not going to forget the way you play with cancer in Ontario. What about this letter from a steelworker?

Mr. Speaker: Order. Will the honourable member take his seat?

Mr. Gordon: You got it. What are you going to do about it? You are playing with cancer patients.

Mr. Speaker: Order. Will the member take his seat?

Mr. Gordon: You ought to be ashamed. Read this letter from Ron MacDonald. He tells you about cancer patients.

Mr. Speaker: Order. I have no other choice but to name the member. Sergeant at Arms, will you remove the member for the balance of the sitting day?

Mr. Gordon left the chamber.

Interjections.

Mr. Speaker: Order. I remind the members that there have been seven questions asked in 40 minutes.

HOMES FOR THE AGED

Mr. D. S. Cooke: I am sure the Minister of Community and Social Services has had the opportunity to review a study done in Lambton county, conducted by municipal governments and funded 80 per cent by his ministry, with regard to the future of the three homes for the aged. Has the minister read the study? What is the ministry's position with respect to privatization of those homes for the aged? Is he aware of comments in the study that state the quality of care has been good, and that because of those homes for the aged, the nursing homes have been kept in line because of competition?

Mr. Speaker: The minister.

Mr. D. S. Cooke: Is this not a place for his policy for a proposed–

Mr. Speaker: Order; the minister.

3:10 p.m.

Hon. Mr. Sweeney: I am not sure I heard all the question, but I will answer what I heard.

The member will be aware the requirement of the ministry is that every municipality must have at least one nursing home under its jurisdiction. I understand that municipality is looking at whether it wants to retain all three.

There is also a second part to that report, of which the member will be aware. Because of the high cost of operating them, there is some discussion about whether a single director over two homes would be suitable. My understanding of the report is that the homes are operating satisfactorily.

My staff in the Lambton area in the Windsor office have been in contact with the officials of Lambton county to try to find out exactly what they want to do. From a strictly legal point of view, should they choose to make that move, we cannot prevent it. It is not something we desire and we are quite prepared to sit down with them to find other ways of resolving their financial difficulties.

Mr. R. F. Johnston: Incredulity arises when I hear the minister cannot stop them from selling homes for which he primarily pays with our funds. I want to find out if things have changed in the minister's mind since last June and July when he was saying there would be a moratorium on this kind of privatization.

His leader and the present Premier (Mr. Peterson) said then this kind of privatization would not be the order of the day with this government. Does that moratorium still hold? Does the minister oppose this notion of privatizing these two homes? Will he maintain that policy until the select committee which was promised us can come up with a proposal to put before this Legislature?

Hon. Mr. Sweeney: I said very clearly then and I repeat that I oppose privatization. My response to the previous question also clearly indicated we want to sit down to work with the officials to find other ways of resolving their problems.

I could point out to the member that, although there have been several threats of privatization, not only with homes for the aged but also with day care centres, in the life of this government not a single one has been carried out.

Mr. Brandt: I would like to advise the minister that not just one municipality is involved; there are two. The county and the city of Sarnia are involved in the discussions that are under way. I would like the minister, if he would, to commit to this House an undertaking that before any changes are made after the study has been thoroughly reviewed by the local municipalities, he will co-operate with both the city and the county to make sure that services, in whatever form they take in the future, will be enhanced rather than in any way deteriorated as a result of any changes, whether it be sale or otherwise. I share some of the concerns of the third party with respect to privatization.

Mr. Speaker: Order. Minister.

Hon. Mr. Sweeney: With respect to talking to the officials from both Sarnia and Lambton county, my understanding is that is exactly what they want as well. They do not want any deterioration of services; neither do we. That is why I have no doubt whatsoever that we can successfully conclude a settlement with both municipalities that will be in the best interests of the residents of those homes today, as well as

future residents. I appreciate there is a financial difficulty there. We are prepared to work with them to resolve that.

AFFORDABLE HOUSING

Mr. Rowe: I have a question for the Minister of Housing. There are 345 people on the waiting list for subsidized housing in Barrie. There are 67 units scheduled for construction, only 27 of which are rent-geared-to-income units.

Is the minister suggesting a dozen families share a unit? Is this how the minister intends to address the crisis of affordable housing?

Hon. Mr. Curling: The member raises a problem that has been with us for a long time. As I stated in the House before, we cannot resolve the problems that were created over this long period by the previous government. Our program sincerely tries to move in the right direction by addressing that problem.

The point raised by the member does not in any way indicate that is the way we are going. We are trying to address the problem as best we can. We cannot solve this problem in three months. We will ensure that everyone in this province has a decent and affordable home in due time.

Mr. Rowe: The figures I have from the Ministry of Housing advise that 96,000 new rental units are needed over the next five years just to maintain the current low vacancy rate. The minister is proposing 55,000 units. How is he addressing the crisis of availability when that leaves us with a shortfall of 40,000 units over the next five years?

Hon. Mr. Curling: The honourable member is describing the legacy we have inherited. He is asking our government's assured housing program to correct a 41-year legacy in three or four months. There is no way we can correct it in that time.

We will do our best, but there is no way we can correct the 41-year legacy we have inherited in that time.

Ms. Fish: Call Bill 78. When is the minister going to proceed on rent review?

Mr. Speaker: Order.

Interjections.

Mr. Speaker: Order. I thank honourable members for allowing me to get my exercise. However, it is time for a question from the member for Welland-Thorold (Mr. Swart).

ONTARIO LOTTERY CORP.

Mr. Swart: The Minister of Tourism and Recreation will recall that, just over a year ago, I raised with the then minister the dangers associated with bootlegging Ontario Lottery Corp. tickets into the United States. That minister expressed dismay, but all he did was withdraw the sale rights of 15 agents and retailers. However, one of those included was Winshare of Canada.

Will the minister now tell the House why he did not do the necessary policing or make the necessary policy changes which would have prevented Winshare from totally discrediting the Ontario Lottery Corp. in the $10.2-million, Chubby Gallagher Lotto 6/49 fiasco?

Hon. Mr. Eakins: Members will be aware that I have been reviewing a number of aspects of the operations of the Ontario Lottery Corp., and they are well aware that I have made some changes in several areas.

This is another area I have been concerned with and have been reviewing. In fact, earlier this month, the Ontario Lottery Corp. and the Ministry of the Attorney General met to discuss this very issue. I did not wait to hear about it today. We have been discussing it.

I am continuing to review this in consultation with my colleagues the Minister of Consumer and Commercial Relations (Mr. Kwinter) and the Attorney General (Mr. Scott). Part of that review will be to consider the possibility of future changes to legislation through amendments to either the Criminal Code or the Ontario Lottery Corporation Act. We have been acting on it—we are well aware of it—and we will continue to do so.

Mr. Swart: Is it not possible at present, through the procedures being used by the bootleg companies whereby the purchaser never gets a ticket, that someone inside the business could hold the ticket for himself and obtain the payout?

There is a simple way to deal with this. Will this minister, unlike the previous minister, make a commitment to stop the bootlegging by quickly introducing legislation to make it illegal to resell or to offer to resell Ontario Lottery Corp. tickets at a price higher than the face value of those tickets?

Hon. Mr. Eakins: I assure the member we will take appropriate action as soon as possible. I am very much aware that the business practices division of the Ministry of Consumer and Commercial Relations recommended to the previous government several years ago that legislative changes be made that would deal with this problem but, sadly, nothing was done.

3:20 p.m.

PETITIONS

A AND P FOOD STORES

Mr. Morin-Strom: I have a petition signed by 4,500 residents of Sault Ste. Marie expressing concern about the lack of grocery-store competition in the city. It is addressed to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"Whereas the Atlantic and Pacific Tea Co. (A and P) has recently purchased stores from the Dominion Stores Ltd.;

"Whereas the A and P has announced its intention to close the Dominion store at 40 Second Line West in Sault Ste. Marie;

"Whereas 45 full-time employees have been served with layoff notices;

"Whereas the citizens in the west end of Sault Ste. Marie will only be served by one major grocery store;

"Whereas the A and P has indicated that the sale of the Dominion at 40 Second Line West will be restricted to prohibit its use as a retail grocery outlet, hence limiting competition for A and P; and

"Whereas the Minister of Consumer and Commercial Relations, in response to a question on this issue, has indicated: 'That issue is not really something I can address. It is an issue out of the purview of this ministry';

"We request that the government of Ontario ensure that there is fair and adequate competition in the grocery retail business and that consumers in the west end of Sault Ste. Marie have the right to use a grocery store of their choice by providing that any grocery store which is closed be put on the open market and available for sale to any competitor which is in a position to continue operation of the store."

I support this petition very strongly and hope the government will do something about this situation.

HUMAN RIGHTS

Mr. Callahan: I have a petition addressed to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"As female hockey players in the province of Ontario, we are very concerned by the government's intention to remove subsection 19(2) from the Ontario Human Rights Code. We support girls playing with and against girls, and boys playing with and against boys. As participants in the Central Ontario Women's Hockey League, we feel strongly that integration will be a tragic step in the wrong direction for hockey in this province.

"We believe that years of hard work building the league will be destroyed by this move and would therefore urge the government not to remove subsection 19(2) from the Ontario Human Rights Code."

ONTARIO INSTITUTE FOR STUDIES IN EDUCATION

Mr. Callahan: I have another petition to the Honourable the Lieutenant Governor and the Legislative Assembly of Ontario:

"We, the undersigned, beg leave to petition the parliament of Ontario as follows:

"As students and educators of Sheridan College of Applied Arts and Technology, we agree that the Ontario Institute for Studies in Education currently provides multiple services to educators, administrators and scholars throughout Ontario and has become a significant resource centre both nationally and internationally. It offers programs in professional development both on and off campus, has pioneered curriculum development of importance across Canada and has hosted educational conferences attended by thousands of participants. Its internal resources and service centres contribute to its unique status as a leader in Canadian education.

"We believe that much would be lost in a precipitous merger with the University of Toronto and would therefore urge the government to reconsider this decision."

FINANCEMENT DES ÉCOLES CATHOLIQUES

M. Guindon: J'ai une pétition adressée à l'honorable lieutenant-gouverneur et à l'Assemblée législative de l'Ontario, qui vient des Chevaliers de Colomb, conseil 8459, la paroisse Ste-Thérèse-de-Lisieux, à Cornwall. Elle lit comme suit:

"Nous demandons à la Législature de l'Ontario de mettre en application, et ceci sans délai, la politique de financement de tous les niveaux de notre système d'écoles séparées, afin qu'elle soit effective dès le premier septembre 1985.

"Nous demandons, de plus, que la Législature protège les droits historiques des catholiques de rite romain à maintenir leurs écoles séparées."

C'est signé par Dan Besner, chancelier, et Bruno Boudreau, grand chevalier.

REPORTS

STANDING COMMITTEE ON REGULATIONS AND PRIVATE BILLS

Mr. Callahan from the standing committee on regulations and private bills presented the following report and moved its adoption:

Your committee begs to report the following bill with certain amendments:

Bill Pr4, An Act respecting the City of Hamilton.

Your committee begs to report the following bill without amendment:

Bill Pr26, An Act respecting the City of Mississauga.

Motion agreed to.

STANDING COMMITTEE ON PROCEDURAL AFFAIRS AND AGENCIES, BOARDS AND COMMISSIONS

Mr. Breaugh from the standing committee on procedural affairs and agencies, boards and commissions presented a report on the premature disclosure of the interim report of the select committee on economic affairs and on the matter of privilege relating to the premature release of the confidential draft material of the select committee on energy and moved its adoption.

Mr. Breaugh: On the first matter we reviewed, the report from the select committee on energy, the committee ran into some difficulty. We reviewed the evidence as it was presented to the committee and found that no breach of privilege had occurred; however, the committee wants to urge all members that staff involved in confidential committee discussions or documents be more prudent when discussing such confidential matters with the media or with other persons.

On the second matter, we found there was a breach of privilege. A document that had been considered confidential was in some manner transmitted to media people who then printed it. The difficulty we had was that the committee was unable to identify whoever might have released such confidential information.

The committee made some recommendations that might assist other committees in how they might proceed with the matter of using techniques similar to the one that is used during the budget discussion, for example, when there is a lockup, or some techniques that have been developed at Westminster. The difficulty is that members may not be aware–

Hon. Mr. Nixon: Does the committee have up-to-date information about what they are doing at Westminster?

Mr. Breaugh: No, we do not, as a matter a fact. We are hampered by the fact that we have been unable to travel to Westminster to get a clear concept established in the minds of the committee. Were we able to do that, we might be able to handle this job a bit more efficiently.

Interjections.

Mr. Breaugh: We have been very busy.

The committee wants to point out to members and others that the matter of privilege, if we go strictly by the book, is considered to be a very serious matter and that newspapers and media people who utilize material of this nature are in contempt of the Legislature. If the Legislature chose to, it could get very nasty.

In the instance of the economic affairs report, it is pretty clear there was a breach of privilege. Unless the House is prepared to provide us with Dick Tracy or several other prominent investigators, it is tough for us to find out who did what in room 228.

Although we were aware that a breach of privilege did occur, we were not prepared to take any action against any of the newspapers involved because we were unable to determine the person who might have breached that privilege.

On motion by Mr. Breaugh, the debate was adjourned.

MOTION

COMMITTEE SITTING

Hon. Mr. Nixon moved that the standing committee on social development be authorized to meet on Wednesday morning during the committee's consideration of Bills 54 and 55.

Motion agreed to.

ANSWERS TO QUESTIONS IN ORDERS AND NOTICES

Hon. Mr. Nixon: I am tabling the answers to questions 102, 103 and 104 and the interim answers to questions 145, 146, 147 and 148 in Orders and Notices [see Hansard for Friday, January 17].

3:30 p.m.

ORDERS OF THE DAY

ESTIMATES, MINISTRY OF THE ATTORNEY GENERAL

Hon. Mr. Nixon moved, seconded by Mr. McGuigan, resolution 13.

[See Votes and Proceedings]

Mr. Speaker: Does the Treasurer have any comments?

Hon. Mr. Nixon: No.

Mr. Breaugh: I wonder whether we might have a short explanation from the Treasurer as to why this process is being utilized today. I admit we are somewhat at a disadvantage since our House leader, who may well have the information, is unable to be with us this afternoon because of a death in his family.

Hon. Mr. Nixon: I will be delighted to provide some additional information. It was discussed at the House leaders' meeting.

This has to do with certain changes in the organization of the cabinet following the change in administration. The member may recall that in the cabinet of the predecessor government, there were 32 ministries, variously distributed. We now have 22 ministers reporting to the House.

On the distribution of specific responsibilities, for example, the allocation of funds for women's issues programs and for the various areas that were covered by policy development secretaries but now are shared by specific ministers, such as the native affairs programs, these now are allocated specifically so the House may consider the estimates in an orderly and effective way.

Mr. Breaugh: I know this is a little unorthodox, but I am asking for–

Mr. Speaker: I will consider these the opening remarks. Is that all right? It is not estimates and we cannot ask questions. People can speak once on it, though. However, I believe this was just a request for some opening remarks.

Mr. Breaugh: I was not privy to the discussions at the House leaders' meeting. I think we are on reasonable grounds in saying we are preparing what might be called mini-estimates. I have a bit of a problem if dealing with the motion this afternoon means there will not be further discussion of these matters.

In particular, the matters before us now in this motion are matters of considerable importance. I am aware of members of my caucus who will want to speak on these matters. I need a little assurance that the passage of the motion this afternoon will not preclude their participation in that great event.

Hon. Mr. Nixon: The honourable member will know that the Attorney General (Mr. Scott) has attended on a regular and continuing basis at the standing committee on administration of justice during the consideration of estimates and a wide variety of bills. In the case of women's affairs and native affairs, these additional estimates are to be considered along with the estimates of the Ministry of the Attorney General.

I am not sure whether they are finished downstairs, but if they are, and I expect they are–I should know and I am not sure. They are not finished downstairs at the committee. Therefore, they will be directed there for additional discussion. The member knows that even if specific time is not allocated for this discussion, and it can be, when these estimates come back to the House for concurrence there is an additional two hours that can be utilized for that purpose, if the member and his colleagues so choose.

Mr. Martel: The Attorney General has seven hours and 31 minutes.

Hon. Mr. Nixon: Remaining?

Mr. Martel: Yes.

Hon. Mr. Nixon: Good. I think it will be all right.

Motion agreed to.

PRIVATE MEMBERS' PUBLIC BUSINESS

SCHOOL BOARDS AND TEACHERS COLLECTIVE NEGOTIATIONS ACT

Mr. Davis moved, seconded by Mr. J. M. Johnson, resolution 26:

That in the opinion of this House, recognizing the changes in delivery of education programs on a semestered basis across the province, the experience of the students in Wellington county, the concern of various sectors of the education community over certain technical difficulties, a select committee be established to review the School Boards and Teachers Collective Negotiations Act to ensure that in the future the bargaining process will be carried out in a manner that most effectively guarantees the least possible disruption to the education of our children.

Mr. Speaker: I remind the honourable member that he has up to 20 minutes, and if he wishes to reserve any of that time, he may do so by notifying the Speaker.

Mr. Davis: I will attempt to reserve some time for the end.

At the outset, I wish to convey to this House what my motion is not. It is not about the abolition of the right of teachers in this province to exercise strike action to bring about a resolution in collective bargaining with school boards. It is an expression of a deep concern in the light of 10 years of history of the collective

bargaining process in the education sector in this province.

It is a time to reflect upon our experiences, applaud the strength of the School Boards and Teachers Collective Negotiations Act, 1975, commonly referred to as Bill 100, and eradicate the apparent weaknesses that are inherent in this process, which tends to negate the effective and efficient progress of collective bargaining between the parties.

There is no doubt that Bill 100 in its present form has served the teachers and boards of this province well in concluding collective agreements, notwithstanding the communities of this province that have gone through the tremendous upheaval of a teachers' strike. As was stated at the time of the introduction of this legislation, the overriding objectives of this bill are to lay down fair and workable ground rules for orderly collective bargaining between teachers and school boards and to lay the foundations for successful negotiations by reasonable people bargaining in good faith. This private members' bill, which seeks the support of all the members of this House, has this intent at its heart.

I believe the act needs review for a variety of reasons. An external rationale that was not evident before is the dramatic, continuing changes in the delivery of education programs. Great emphasis is now placed upon co-operative education models of work experience coupled with classroom environment and the move to semestered schedules.

I want to share briefly with my colleagues what a semestered program is about. In a semestered program, a student takes four subjects in an intensified manner, covering a year's work from September to approximately the end of January. He then engages in four different avenues of study from February to June. This is unlike the experience of the majority of members of this House, whose education model was carried out in seven or eight different subject areas spread over the academic year.

Thus, it becomes quite apparent that a major disruption in a semestered timetable caused by a strike can adversely affect a young person's academic year and his future in education, as was seen in a recent strike in Wellington county.

The present act fails in a specific, concrete manner to address those indicators that would summon the Education Relations Commission to review the situation in the light of what we term jeopardy hearings–"jeopardy hearings" meaning simply investigations of whether the students' year academically is in the process of being lost. Even the ERC has no specific criteria that it applies in making this decision.

This was borne out in the Wellington county strike when on the 47th day, in response to a question raised in this House on jeopardy hearings, it was indicated that there was no cause for a jeopardy hearing; but three days later, on Friday afternoon, we were informed that cause for a jeopardy hearing was found.

It seems to me there must be some evident, concrete criteria that would activate jeopardy hearings other than someone's "by guess or by golly." However, that is only one part of the rationale for a review of Bill 100.

This bill had its genesis on July 18, 1975. In 1979, the Matthews commission was established to review Bill 100. On that occasion, the then Minister of Education, the member for York Mills (Miss Stephenson), stated:

"In our society there are basic rights to collective bargaining, and there is no question of compromising those rights in the case of teachers. However, like all policies of government, the act and the process it engenders should be periodically reviewed."

3:40 p.m.

Let me outline briefly the present process for negotiations as prescribed in Bill 100. All collective agreements under Bill 100 begin on September 1 and terminate on August 31 and must be at least one year in duration. The scope of bargaining is open, and any item can then be put forth.

Bill 100 is unique in that it structures the timing of negotiating processes. Either party may give written notice to the other, which must be prescribed within the month of January, of the wish to negotiate a new agreement. The parties must meet within the next 30 days, negotiate in good faith and make every reasonable effort to reach an agreement some time before August 31.

If there is no settlement by August 31, the Education Relations Commission must appoint a fact-finder. The fact-finder's report may or may not contain nonbinding recommendations, but it must be submitted within 30 days of the appointment. Copies are given to the parties, and if there is no agreement in 15 days, the report is made public. Look at that kind of time frame. After the fact-finder's report, the negotiations commence again on October 15 at the earliest; in reality, it is later in October or November.

Fifteen days after the fact-finder's report is filed and made public, teachers can request the ERC to supervise a strike vote. If a vote is in favour, the teachers must give written notice to

the board five days before the strike date stating it will commence, or after the fact-finding report they could ask the ERC to appoint a mediator, and a mediator could be appointed at any time to continue negotiations or begin a work-to-rule program.

It is important to understand that in mediation the parties meet separately with the mediator. There is no opportunity within that framework for either of them to counter the arguments or the positions put forth, and it is the mediator's role to effect a settlement without regard to reasonable terms or equity.

The Matthews report states on page 69:

"Because of the highly confidential nature of the information being exchanged in the mediated process, there is considerable risk that the effectiveness of a mediator could be jeopardized if the parties knew that a public report with recommendations might ultimately be required from the mediator."

Because of the Wellington settlement, that is a reality. The mediator's report was used as a basis of settlement rather than following the prescribed options laid out in Bill 100.

One of the processes that we find is arbitrated–the member for York Mills and the Matthews report stated it again–is that there are certain technical problems with the present act. In addition, there are broad considerations relating to the basic rationale of the collective negotiating process which, if extended to the parties, prevent them from doing the negotiating process. They are concerns both of those who negotiate and of the public.

It is sad to state that these areas, so aptly identified in the Matthews report, are still prevalent today. I will comment on but a few to illustrate why I believe this bill should have not only the support but also the immediate action of the members of this Legislature and of the government.

The time frame and the dynamics are such that there is little pressure placed on either party to resolve the delicate outstanding issues. Without placing any blame on the parties who negotiate in a very relaxed manner, the first crisis occurs on October 31 with the fact-finder. Yet, as the Matthews report states, traditionally little progress is made during July and August because they do not meet and thus, in September, the pawn enters the scene in the person of the students.

Neither is the board under pressure to settle, because if there is a strike, it can point to the saving it has made in tax dollars. Today it is the same. The commission stated that the hiatus of July and August is unacceptable because of the potential penalties that would be paid by teachers, students, parents and the community.

It seems to me there is concern from the teachers and boards to examine and attempt to clarify more effective time frames in which to conclude negotiations. Again, representatives of both groups in this matter, as the Matthews report indicates, questioned the value and timing of the fact-finder: "Some view this process as a protraction of negotiations, especially if there is mediation before and after the fact-finding report." It is ironic that five years later, areas addressed in the Matthews report on collective negotiations between teachers and boards of education are still present and still await resolution.

For these reasons, I believe a review of Bill 100 is required immediately by a legislative committee so, in a partnership of consultation and co-operation, the educational family may fulfil one of the major objectives of Bill 100, as articulated by Tom Wells, the then Minister of Education, on May 30, 1975:

"The legislation...is based on a second set of 'three Rs' for the 1970s–rights, reason and responsibility. In assuring certain rights to teachers and to school boards, we expect that the bargaining process will be carried out in a reasonable and responsible fashion by persons of goodwill and with constant reference to the heavy responsibility that each group bears for the education of our young people."

He also said the legislation would work to promote "harmonious relationships between teachers and school boards in this province."

I ask the support of my colleagues in all parties of this House for my private member's resolution on this important matter, this resolution asking the minister to establish a committee to review Bill 100 as expediently as is possible.

Mr. Allen: I rise to address the resolution that stands in the name of the member for Scarborough Centre. I do so, recognizing both what he is not trying to do and what he is trying to do through this resolution.

I will state my position from the outset. I find myself taking the advice of a former instructor at teachers' college who said, "Please, when you answer my exam, spend the first two paragraphs writing for me and spend the rest of your answer writing for yourself." That was his way of getting through his marking fairly expeditiously, but it is good advice. I always think one should lay one's position out at the beginning.

I reject the resolution, not because there are not the occasional problems in the act in question and not because there is nothing in it worth addressing, but because the proposal of a select committee to undertake a review of an act that does not require review in any fundamental or substantial way, in my mind, is not the appropriate vehicle to use.

In point of fact, it would open up a critique of the act and an attack on the act by the very people whom the sponsor of this resolution appears not to want to see there, namely, those who would be gunning to get the act substantially changed so as to fundamentally weaken, if not eliminate, the right to strike of teachers in this province.

This resolution has five parts to it, as I see it. First, it suggests we do something to secure "the least possible disruption," as the language of the resolution puts it, of the education of children in teacher and board conflicts. Second, it proposes that the act be reviewed in the light of that desire. Third, it suggests a select committee of the House be the device that is used.

A fourth reason that appears to be substantial, but was not substantially addressed in the honourable member's introduction, I thought, is the semestering of the delivery of education, which has been a significant change in the format of delivery in recent years. Fifth, there are certain technical difficulties, only a couple of which the member alluded to.

3:50 p.m.

I am left as much in the dark as I was when I read the resolution as to the nature of this whole range of technical issues. Is it the 80-some recommendations the Matthews commission laid before us? Is it the six to eight that are listed in a recent memorandum from the Association of Large School Boards in Ontario?

What are the specific technicalities? Until one can grapple with the specific technicalities, one can hardly respond in debate other than to assume that they are technicalities in the usual sense of that word.

The act of 1975, now called the School Boards and Teachers Collective Negotiations Act, was formulated to accomplish the objectives the member has in mind, namely, to secure the least possible disruption of education for the children in teacher-board conflicts and to do something about the very confusing situation in the mid-1970s, in which teacher-board relations were in a very difficult state.

At that time, teachers and boards alike had problems with orderly process and in knowing where they stood one with respect to another. From the point of view of the whole educational community, some substantial rationalizations were needed.

I re-read the act this morning to see whether I could ferret out for myself what I felt were difficulties. I found very little of substance that provided me with any great unease about the act.

Five years after the act in question, the Matthews commission commented that the legislation had improved the collective bargaining process and had reduced conflict. It warned that long strikes might well provoke calls from the public for drastic and, perhaps, unwise government action. It warned that quick fixes, such as compulsory arbitration, highlighted the crucial importance of the local resolution of conflict.

If there has been a problem in recent years, it has simply been that the Education Relations Commission has followed the advice of the Matthews commission and has wisely left those decisions on the resolution of disputes in local hands.

The recommendations of the commission were of varying degrees of technicality, and having read this document, the government did not act on it. Apparently, it presumed that, everything taken together, there was no great benefit to be had in following through with the recommendations made.

What has been the record? In the three years prior to the act, there were 28 disputes, or an average of slightly more than nine per year. In the subsequent six years, there were 29, or slightly more than four per year. In the 10 years since the act, there have been 39 disputes, or fewer than four per year. If one traces that progression, one will see that, under the jurisdiction of the act, the number of disputes has gone down.

In the past year, the Ontario Public School Trustees' Association has observed that there have been more third-party interventions and more strike votes. That surely is a result of an aberration in the system that came with the ill-advised Bills 179 and 111, the so-called restraint legislation that caused so much unhappiness in the educational community.

I emphasize that while there are more than 200 jurisdictions in which negotiations of this kind can take place every year, an average of only four per year—as things stand at this time, taking the whole past decade—end up in any sanction situation. Ninety-eight per cent of the settlements are arrived at without sanction by either party.

Despite a widespread impression that something is very fundamentally wrong with this act, that it has serious difficulties or problems that

somehow cause the sanction situations that do occur, the history of the act tells us quite another story.

Since the history and reviews of the act give a generally clean bill of health, it is hardly necessary for us to go to the length of striking a select committee, even if we had the manpower at this time to man such a committee.

If the member has some specific objections to the act, it might be better for him to frame them specifically in a private member's bill and lay them before us for discussion at another time in this House. We can then address the points in question rather than open up the whole act unnecessarily in the context of select committee hearings and what have you, which I do not think is necessary.

This party has no objection to select committees, especially in education. We have long called for one, as has the party opposite, unlike the party to my right, certainly in the education field.

The Association of Large School Boards in Ontario recently requested such a committee. We have responded sympathetically, stating only that the manpower requirements at this time make it rather difficult for us to launch it right now. None the less, there are a number of major issues in education that could well be addressed at this time under the aegis of a select committee, with profit by all of us. We would be happy to see that happen. However, from our point of view, this is not one of them.

Does the educational community want what the member proposes? I have had conversations with virtually every sector of it in the past few days. The Federation of Women Teachers' Associations of Ontario says, "We are opposed to a review of Bill 100 at this time." The Ontario English Catholic Teachers' Association says, "There may be specific problems in the bill, but they should be looked at otherwise and not through this device."

The Ontario Secondary School Teachers' Federation says, "There are lots of technical things you might look at, but we do not want a general review of the act." The Ontario Teachers' Federation says, "While there may be changes perhaps to the RC procedures and otherwise, looking at questions as to how decisions are made on jeopardy, the legislation does not have to be opened up to look at that." The Ontario English Catholic Teachers' Federation says it wants it left the way it is.

When I approached the boards and trustee groups, they indicated they had some interest in seeing it opened up. When I looked at the reasons, they were about technical matters, ones that I think can be handled in another fashion. I am not convinced of the need for us to move in the direction of a select committee review and therefore I stand opposed to this resolution.

Mr. Reycraft: I am pleased to have the opportunity to speak on the resolution brought forward by my friend the member for Scarborough Centre.

The issue raised by his resolution is one I am familiar with. It is an issue that seems to have been a recurrent concern for most of the almost 23 years I was a teacher in this province. It is an issue that is going to be looked at with considerable interest by members of the educational community and certainly by teachers and school trustees. It is also going to be of interest to the parents of students in the schools in this province as well as to the students themselves.

Judging by the letters and telephone calls I received last fall, it would be of considerable interest also to a number of municipal councils and many other people who have a sincere interest in education in this province.

However, the letters and telephone calls to which I referred suggest it is not of general ongoing concern to many of those people. It is not a concern about the collective bargaining process between teachers and school boards as laid out in the act of 1975. Rather, it appears it is of concern because of the most recent examples of situations where the procedures laid down in the act did not allow for a collective agreement without some disruption.

I refer, of course, to the examples of Wellington and Grey counties. The communications I have received along those lines come from groups and individuals who are very angry that teachers' strikes occurred in those two communities. Most of them expressed a sentiment similar to one I received from a constituent in Strathroy. I want to quote a sentence from that communication: "I think it is criminal that thousands of students are the victims of greed of those teachers who make lots of money."

4 p.m.

That sentiment was prevalent in many of the communications and in many of the editorials I have read since last fall. It implied that the collective bargaining process was responsible for two things to which those people objected. One of them, obviously, is the disruption in the education system that results from a strike, and the other is what they believe to be excessive salaries for teachers.

The implication in those letters, phone calls and editorials is that if we change the collective bargaining system, particularly if we remove the right to strike, then the two ills they address will be eliminated. We will eliminate disruptions to the education system and will have the effect of reducing the amounts of settlements between teachers and school boards.

Like my friend the member for Hamilton West (Mr. Allen), I was concerned when I first read the resolution of the member for Scarborough Centre. I was concerned about the object of the resolution, because if its object had been to do away with the right to strike, I would have had some difficulty in supporting it. I was certainly happy to hear him say right at the outset that this is not what his resolution is about.

I would have had difficulty supporting it because I was a teacher in the public system in this province for some 13 years before Bill 100 became legislation. I have some very clear recollections of the controversies and the bitterness that existed in many communities in the province as a result of the inability of school boards and their teachers to resolve disagreements before Bill 100 became legislation.

Knowing the experience of the member for Scarborough Centre as a member of a school board and as a chairman of a school board in this province, I am sure he knows too well the kinds of difficulties that existed before 1975. I am also sure he has considerable insight into the intricacies of the collective bargaining process and knows just how sensitive that process is.

I am also sure he is very much aware of the history of the process. That history is very much an evolutionary one, although it is an evolution that has not always been smooth and gradual. It seems to me that a couple of points in it need to be addressed. Certainly there was a dramatic change in that evolution back in 1969, when there was a consolidation. The government of the day chose to consolidate the 1,400 school boards that existed at the time into some 77 public boards and 49 separate boards.

The bargaining situation that existed before 1969 is typified by Peter Hennessy in his book entitled Schools in Jeopardy: Collective Bargaining in Education. There is a quotation from that book in the Matthews report, to which the member for Scarborough Centre has made reference. I would like to read it into the record. It says:

"The principals and teachers knew the trustees in their private capacities as store operators, insurance agents, farmers or lawyers. A lot of trustee-teacher talk took place over the store counter, at the curling rink or after church on Sundays. Those personal relationships greatly influenced the educational life of the community.

"The teachers generally trusted the board because they knew each other as persons. Each side wanted to do the right thing for the other, allowing, of course, for occasional stress associated with salary increases, the firing of an incompetent teacher or the fixing-up of a school building. There was a sense of common trustee-teacher interest in education and a recognition by each that the other was pulling in the same direction."

Certainly that relationship changed after 1969. I am not suggesting that the action of the government of the day was all bad; indeed, it certainly was not. However, it did change the relationship.

The relationship was also changed by something that happened at about the same time and in the few years thereafter, and that was a dramatic increase in the cost of education in this province, part of which was due to inflation and part of which was due to increases in remuneration for teachers.

That was a result of a number of things, one of which was the change in many boards to a system of salary grids which provided better remuneration to teachers who upgraded their qualifications. That too had a great deal of merit. As a result of those costs, though, the negotiations between teachers and their boards intensified and the number of disputes increased. That led to a number of difficulties in negotiations and eventually led to Bill 100 in 1975.

The resolution calls for a review. That is the principle of the resolution and it is one I support. The Minister of Education of the day, the Honourable Thomas Wells, indicated in his remarks during the final debate on the bill that it was the right legislation at the right time. We are now some 10 years past that point, and a number of issues have been raised in the introductory remarks of the member for Scarborough Centre, some of which have been mentioned by the member for Hamilton West; issues that call for a review of the legislation and action following the review.

Whether the process suggested by the member for Scarborough Centre is appropriate is something of which I am not convinced. I question whether it would be appropriate for a select committee of this Legislature to do a review that would have some political implications. The review would certainly be affected by the

political structure in the province. It does not seem to be the most appropriate vehicle to address the needed review.

In general, our position is that we support the principle of the resolution. There is a need for a review of Bill 100. We suggest that some type of commission similar to the one utilized by the government of the day in 1979 and 1980 would be more appropriate.

Mr. J. M. Johnson: I am very pleased to have the opportunity to participate in this debate today and to speak in support of this resolution brought forward by my colleague the member for Scarborough Centre. The resolution requests the review of Bill 100 by a committee of this Legislature.

Many members will be aware that during the recent teachers' strike in Wellington county, which is part of my riding, I requested the Minister of Education and the Premier (Mr. Peterson) on several occasions to give consideration to a review of Bill 100 and the report of the Matthews commission. I would like to quote from Hansard, October 17, 1985:

"Mr. J. M. Johnson: I have a question for the Minister of Education relating to the teachers' strike in Wellington and Grey.

"We have legislation under Bill 82 that guarantees every child in this province a right to an education to meet the expectations of his or her parents. We have legislation that compels children to attend school until they are 16 years of age. We have the Charter of Rights and Freedoms that surely applies to students as well as other citizens of this country. Then we have Bill 100 which seems to override these acts.

"Would the minister give consideration to setting up an all-party committee to review Bill 100 and also the Matthews report of 1980, in the hope of making amendments that would give more protection to the rights of students affected by teachers' strikes?"

The strike in Wellington went into its 11th week. There were 51 lost school days. It was the second-longest strike in the history of this province. No one would deny this strike had a tremendous impact on the students in Wellington county, especially those enrolled in the semester system.

I do not have time today to go into details on the number of students in Wellington who will not return to school because of the strike, the impact on the future academic performances of other students, the social damage to the spirit of the community, nor the hostility and negative impact on the public perception of our education system as it relates to the collective bargaining process. These are matters that should be taken into consideration by the proposed committee of this Legislature when it reviews Bill 100.

4:10 p.m.

My main thrust in pushing for a review of Bill 100 is not to propose drastic changes in the bill, but to request all concerned parties–teachers, trustees, parents, students, taxpayers and, of course, members of this Legislature–to review Bill 100 and to determine whether a mechanism can be found and drafted into the legislation to protect better the rights of students during a teachers' strike, while at the same time protecting the rights of teachers and school boards as enshrined in the current act. Surely people with good intentions and goodwill, working together, can achieve some beneficial and positive results from such a review.

I fully appreciate the special need for a unique piece of legislation such as Bill 100. As all members should know, before this bill was passed in June 1975, there was utter chaos in the education system in relation to the teachers' and school boards' collective bargaining process. It is not necessary to go into the details of the mass resignations of teachers, and the confusion and turmoil that existed prior to June 1975, but the members of the Legislature should be knowledgeable about the events leading up to the need to draw up special legislation to solve many of these complex problems.

This bill, the School Boards and Teachers Collective Negotiations Act, 1975, known as Bill 100, came into force on July 18, 1975, with the full support of all three parties of this Legislature. In the opinion of the many knowledgeable people, it has served the province well.

The Minister of Education of the day, the Honourable Thomas Wells, while emphasizing the special needs and his complete support of this legislation, also expressed some concerns. I would like to quote from Hansard, May 30, 1975. Mr. Wells said, "In assuring certain rights to teachers and to school boards, we expect that the bargaining process will be carried out in a reasoned and responsible fashion by persons of goodwill and with constant reference to the heavy responsibility each bears for the education of our young people."

This is a heavy responsibility for us as members of this Legislature. It is the major concern expressed by hundreds of my constituents during the recent teachers' strike. I have received numerous resolutions from municipal councils, and letters and phone calls from

concerned citizens demanding that the rights of our young people to an education be protected. This public concern was also recognized by the Matthews commission.

Since Bill 100 is a unique piece of legislation designed by this Legislature for a specific segment of our society, I think it is incumbent upon us as members of this House to empower one of our committees to hold public hearings and review the act. All legislation should be periodically reviewed. The Matthews commission was set up to do that on October 30, 1979, by the then Minister of Education, the member for York Mills.

The Matthews commission submitted its report on June 18, 1980. While it was of the opinion that Bill 100 had worked fairly well, it thought some changes were needed. The commission made 49 recommendations, many pertinent to our debate today. I will make reference only to the first two recommendations: "(1) The commission recommends that teachers and boards should continue to negotiate under an amended version of Bill 100. (2) The commission recommends that the right to strike continue to be provided in an amended Bill 100."

It is important to note that both teachers and boards supported this position. However, the commission also pointed out that strikes in the school system cause hardship and inconvenience, affect the education of children and that members of the public, particularly those with children of school age, become intolerant of strikes.

Many of the other recommendations are also very important in any consideration of changes to Bill 100. It has now been over 10 years since Bill 100 was passed and over five years since the Matthews report was tabled. Surely a review of both at this time would be beneficial to all of us.

I have a few personal observations to make, based on my experience with the Wellington county teachers' strike, and I would like to put them on the record now.

1. Strikes last too long. There is too much wasted time and the cooling-off periods often end up creating frozen positions.

2. There should be more face-to-face negotiations between teachers and trustees. Quite often, the negotiators take away from that personal relationship.

3. The government should strengthen the Education Relations Commission's powers. Numbers 11, 26 and 34 of the recommendations of the Matthews commission are examples.

4. Every third year, municipal elections are held and if they conflict with a teachers' strike, which happened in Wellington, it quite often creates special problems such as lame duck boards.

In closing, I would like to state that in my opinion, if we approach the issue with goodwill and good intentions, we can modify and amend Bill 100 and create better protection of the rights of students, while at the same time fully protecting the rights of teachers and school boards as already enshrined in the present legislation. I hope all members will support this resolution so we may work towards achieving these goals.

Mr. Grande: I am happy to be participating in this debate, although I am not happy about the intent of the private member's resolution that is before us today, brought forward by the member for Scarborough Centre. While the member was very careful to say what this resolution is not about, his colleague from the same party spent his 10 minutes talking about strikes. It seems to me that what one member did not say, the other did. Why he wants this select committee was very clear.

I am not opposed to a select committee on education in this province. This party has been on record since 1978 as wanting a select committee on education because of all the concerns regarding the proper delivery of education services in this province. The former government, from 1978 to 1985, continuously refused to allow a select committee of this Legislature to deal with educational concerns.

We wanted the select committee to hold hearings across this province on such issues as the governance of our schools and the funding issue. Since 1975, there has been a deterioration in funding to the public school system, the likes of which we have not seen before. We have gone below the 50 per cent mark of supporting our public schools with provincial dollars.

4:20 p.m.

In 1975, we were supporting our schools to about 65 per cent and, as far as we were concerned, this deterioration of provincial support certainly merited that a select committee of this Legislature should take a look at it and come up with the reasons education in this province was not a priority with the previous government. I urge the present government to strike a select committee of this Legislature to deal with such important, fundamental issues.

We were talking about declining enrolment at that time, and the boards had considerable

problems in coming to grips with and in organizing around declining enrolment, the closure of schools, the firing of teachers as a result of declining enrolment, the program implications of declining enrolment and the curriculum. The government refused to allow us to have that select committee. Members of the present government, such as the Minister of Education (Mr. Conway) and the Minister of the Environment (Mr. Bradley), were calling for and supporting this party in calling for a select committee on education.

Had the member who presented this resolution called for a select committee on education to discuss fundamental issues in education, then I would be with him, because I am concerned about the educational services and the quality of education being delivered to children in our elementary, secondary and post-secondary schools. However, that is not why this member called for the select committee. He called for the select committee for a very specific situation: to take a look at Bill 100 and to see whether strikes can be prevented.

Obviously, the ultimate way to prevent strikes between boards and teachers is to get rid of the right to strike for teachers altogether; then we would not have any strikes. However, the fact remains–and other members have talked about it–that prior to 1975, there was no stability whatsoever in the collective bargaining between school boards and teachers in this province. We had chaos, which is how the Education Relations Commission describes the era prior to 1975. In later reports, the ERC talked about Bill 100 bringing stability in the educational sector.

I point out to the member–and my colleague the member for Hamilton West mentioned this point as well–that since his intention is to amend a bill, the normal procedure in this House is to bring in a private member's bill with those amendments. If he were to do that, what the member wanted to do would be very clear, and one could get up and debate that private member's bill and decide whether to support it.

The problem is that the member is bringing in a resolution to amend a bill. To my knowledge, at least, the only time one brings in a resolution is when one cannot very readily draft it into a private member's bill or when it deals with money, because one obviously cannot force a government to make an expenditure of funds.

The intentions of this resolution are not clear to me. While the member tried his best to make it clear that he is not interested in getting rid of the right to strike in Bill 100 and sending collective bargaining in the educational sector into chaos, as it was prior to 1975, the member for Wellington-Dufferin-Peel (Mr. J. M. Johnson) was much clearer, and therefore I do understand the intent.

I want to say to the member that we have the Matthews commission report. The member could have said to the government, "Strike a group of people from the school boards, the teachers' associations and the Ministry of Education, and bring them together to change some of these very minor aspects of Bill 100 that may be irritants in the collective bargaining process." We would understand that. Some of the teachers and their organizations would support that.

As a matter of fact, when the Matthews commission reported back in 1980, some of the reports the teachers' federations made to the previous minister, who is sitting in the front row right now, the member for Don Mills, said some changes were necessary–

Miss Stephenson: I am not the member for Don Mills. I would have thought that after 10 years, the member would have known I am the member for York Mills.

Mr. Grande: York Mills; my apologies. I mentioned the wrong mill. I know the Old Mill quite well.

The previous Minister of Education left the Matthews commission report to lie dormant. No changes were made. However, the Matthews commission report stated very clearly in its recommendations that the right to strike should remain in Bill 100.

Finally, I say to the member that if he is truly interested in education and the delivery of educational services, and if he is truly interested in having a select committee on education, let him talk about fundamental issues that affect the education of children in this province and not disguise what he intends to do in a private member's resolution in this House.

I will not vote for this resolution.

The Acting Speaker (Mr. Morin): The member for Kent-Elgin (Mr. McGuigan).

Mr. Stevenson: There are only three Liberals in the House.

Mr. McGuigan: My friend has to admit that the high-quality ones are here–

Mr. Stevenson: The only three high-quality ones are here.

Mr. McGuigan: Our members are diligently earning their pay in committee.

Mr. Stevenson: Is that where all the cabinet ministers are–in committees?

Mr. McGuigan: They are running the affairs of this province and catching up on all the inadequacies of the past 42 years. However, I did not rise to debate those questions. I rise simply to get a word in on my view of the collective bargaining system.

I want to say at the beginning that we believe in the collective bargaining system. It is perhaps not the perfect way of handling disputes between collective groups; on the one hand, taxpayers or capitalists, people who have money to pool together, and on the other hand, the people who are required to work, provide their labour and make that system work.

We believe that if it is fair to have laws whereby depositors can put their money in a bank or in a pool and put it under collective management, or if capitalists can put their money into shares in a company and thereby put that money under a single head, then it is also fair that workers can pool their collective abilities and resources, which are the sale of their time. It is a fair and reasonable system to have those two offsetting forces.

4:30 p.m.

To bring them together we have a marketplace, just as much as we have a person who stands in an open-air market and offers a product—whether it is a cattle beast, a bushel of rutabagas or whatever—at a price, and a buyer on the other side who negotiates to decide whether he wishes to purchase it at that price. That is a time-honoured system we have had since the beginning of the money system, whereby we changed from the barter system to a unit system. The Liberal Party believes in that system, as do our friends across the aisle in both parties.

When we come to an education strike, there are certain complications. Members on the other side of the House have mentioned that. I know, from members on our side of the House who have been caught as members representing an area where there has been a teachers' strike, it is a most grievous situation.

On the one hand, we have the parents who want to see their children proceed with their education. We have every sympathy with what happens in those circumstances when they may lose several weeks of their education.

Mr. Davis: Or their year; or never go back, as happened to 1,000 students in Wellington county.

Mr. McGuigan: Unfortunately, that sometimes happens. We realize the turmoil a member is put through. The member for Wellington-Dufferin-Peel is one of the most sensitive and kindest members in this House. I have know him the eight years I have been here. I do not know anybody who is more sensitive than that member to the plight of his constituents or that of any person in Ontario. It puts him under terrible pressure.

When we start looking at alternatives to the collective bargaining system, we run into other very difficult problems. If we are going to deny a group of people the right to use that system, we put under threat a whole range of operations we have in our society. It is not just a matter of teachers, pupils and their difficulties; it becomes a matter of how we regulate ourselves in this great society.

It is also a long-standing Liberal position, and we believe in the theory, that local people should look after the deals, and the pressure should be put on the school boards. They have to face the angry parents. They also have to face the taxpayers and the demands of the teachers. The teachers themselves who live in the community have to face these pressures too, because they have nearby parents, friends of theirs, perhaps even their own children, who are caught in the vicious affair when we have a teachers' strike.

We think that is where the pressure should be put. Since we have had Bill 100, it has had a positive effect, as many members here have brought forth in their evidence. We have moved forward. Unfortunately, we still have these things happen on occasion. I suggest to all members that it is a very dear price we have to pay in our society, but it is one we have to bear to have the freedom we have.

Mr. Davis: It is interesting that there seems to be only one party in this province that has any concern for the students, and that is the Progressive Conservative Party.

I say to my colleagues who are the critics, and to colleagues who have spoken, that if they had read the Matthews report and digested what they had read, they would have understood the technical problems without my having to spell them out. However, if they have to be treated like kindergarten children, I am quite sure I can spell it out for them. It seems to me the technical problems that existed prior to 1975 and after the Matthews report, and they still exist, are the same kind of technical problems. They have not gone away and they have not changed.

One interesting point is that my colleague says he consulted with members of various teachers' organizations. So did I. I do not know with whom he consulted, but the people with whom I consulted said they had grave difficulties with

some of the processes and would welcome the opportunity to have the bill reviewed and dealt with.

When one looks at a select committee, as compared to a royal commission, there is not much of a difference. They both have a job to do, and the job is to make a review of the bill.

It seems to me it is much more pleasant to be a member of the government party and of the third party, which supports the government, and to have early-morning breakfasts, than to have to take a stand on some pretty important matters that may give the members some black images.

I take exception to my colleagues to the left who suggested to me, or to anyone who would ever suggest to me, that the primary reason I introduced this resolution was to remove the right of teachers to strike. That is utter nonsense. The rationale for introducing this resolution is the rationale that belongs to the Minister of Education, a responsibility he abdicated in the Wellington county strike and in regard to insurance liability across this province, and that is the protection of students.

It is the responsibility of the minister and of the government to ensure that collective bargaining processes in this province continue in a very effective and expedient way. If the members who spoke, the critics who spoke and my learned colleague in the government who is the parliamentary assistant, were to take some time to watch how the negotiating processes go on, they would know that opportunities are provided to both groups to curtail and to stagger the negotiations, to ensure they do not go on. That is caused by technicalities, and those technicalities can be removed.

I appreciated the remarks of my colleague the member for Middlesex (Mr. Reycraft) when he said his government, as a result of our urging and of this private member's resolution, which may not be passed, at least is prepared to put together some kind of commission to examine Bill 100 and make some recommendations to modify it to do two things: (1) bring about speedy negotiations and conclusions before August 31 and (2) protect students.

It it is not only for the protection of students but also for the protection of the community. If a community goes through a strike, it is pure hell. All kinds of interpersonal relationships are severed and pulled apart. If we look at the Hamilton strike, there were 850 students this year who did not go back because of that strike. That is appalling.

We are asking for an opportunity to sit down with the family of education–the teachers, the trustees and the parents–to make a quick examination of Bill 100. It is not going to take us too long. We can invite the umbrella organizations, which know what the weaknesses are, just as the minister knows what the weaknesses are, and we can correct them.

I ask the House and my colleagues to support my private member's resolution. If they cannot support it, then at least we will be happy to hear, as my colleague the member for Middlesex said, that in the fullness of time, the minister is going to provide some opportunity for the examination of Bill 100.

NURSING HOMES AMENDMENT ACT

Mr. D. S. Cooke moved second reading of Bill 92, An Act to amend the Nursing Homes Act.

Mr. D. S. Cooke: I welcome the opportunity to speak on an issue that I think is quite important, not only to the residents of nursing homes in this province but also to all the people of this province.

I may not take 20 minutes, because there is so much logic to my proposed private member's bill. It is so straightforward that I cannot understand why governments in the past did not act to bring in financial accountability for nursing homes in this province many years ago.

4:40 p.m.

Each year the taxpayers and the government of this province spend a quarter of a billion dollars of public money on nursing homes. Then millions of dollars are spent in nursing home copayments by the residents of the nursing homes of this province. Yet under the current legislation, under the current system, there is absolutely no requirement that nursing homes file with the Minister of Health, let alone the Legislature, any financial data whatsoever to show how that public money is being spent.

My bill simply calls for financial statements to be filed twice a year. The first statement is a profit-and-loss statement, which obviously would have to be filed at the end of the fiscal year. The second is a budget for the upcoming year. The details in the profit-and-loss statement and in the budget that must be filed would include simply the amount of money spent on nursing care, on food and on recreation. Once those documents have been filed, an annual report would be tabled in the Legislature by the Minister of Health outlining all of the reports from the various nursing homes in this province.

I do not see anything objectionable about that whatsoever. Financial accountability when public funds are involved is simply common sense. From a government point of view, it is the only way we can measure whether our money is being spent properly and whether quality of care, quality of life and some basic standards exist within the nursing homes of this province. We as members of the Legislature, as well as the public, have a right to know what is contained in the budget statements of the nursing homes and how our public funds are being spent.

Under the current system there is no competition between nursing homes, so it is impossible to say that competition in the private sector should guarantee that these funds are spent in an efficient way but also in a way that would guarantee quality of care.

Many times the former government, and for that matter the current government, has said there is competition in the private sector, that this is why we should leave it in the private sector and why we do not need financial accountability. The competition will raise the quality of care.

The reality is that there are waiting lists for every nursing home in this province, and the demand for nursing home beds is increasing because we have not put other kinds of community-based alternatives in place. With waiting lists and with every nursing home bed filled in this province, there is absolutely no competition. Therefore, there is no motivation for the nursing homes to upgrade the quality of their care and the quality of life for the residents.

Ambulance service is very important in this province, but ambulance service is no more important than nursing home service. Yet the private ambulance operators in this province must file a budget with the ministry and, I believe, statements–if not monthly, quarterly –on how they are spending that ministry money.

All I am saying in this bill is that the expectations we have for the private ambulance companies are the same types of financial expectations we should have for the nursing homes in this province.

We have had access to one nursing home's financial records. The financial records of a chain of nursing homes have been in the news lately, but the one nursing home that was raised in this Legislature back on May 24, 1983, was the Heritage Nursing Home. The financial report that was raised by my leader was dated March 31, 1980. The profits for that home were $362,000 on revenues of $2.2 million. That is not a bad return on investment.

The profit rate was $4.93 per day per resident. At the same time, this nursing home spent $1.90 per day for food for each resident. This does not include wages; none the less, on the food itself it spent $1.90. It spent a whopping $400 for the entire year on recreation programs in this nursing home.

Those kinds of statistics should be available on every nursing home every year so we can gauge what the priorities of the private nursing operators in this province are and so we can make a better judgement of whether the quality of care and the quality of life match our expectations for the elderly in this province.

What does $400 a year spent on recreation say about quality of life for the residents of nursing homes in this province? I would suggest that at that time there were many nursing homes that were not providing even $400 a year on recreation.

Are we such a wealthy province that we can afford to spend $4.93 per resident per day on profit for nursing homes, or do we think that $4.93 per resident per day should be filtered back into the system to upgrade the quality of life and quality of care?

The Ontario Nursing Home Association says it cannot upgrade the quality of the nursing homes in this province because it does not have adequate funds. If it is going to make that case, I assume it should be very much supportive of this legislation so its case can be provided to the members of the Legislature in real dollar terms. We can then see whether the argument that it does not have enough money to improve the quality of care is real and is substantiated by financial statements.

My experience has been that the nursing home operators of this province are doing quite well and that many of them are attempting to bring in additional charges to increase their cash flow and profits. As recently as a few months ago, I talked to a gentleman by the name of George Docherty who owns Docherty Family Management Ltd., which owns nursing homes in Tecumseh, Essex, Riverside and Blenheim.

That gentleman tried a $2-a-day charge for all electrical appliances for each resident. He said the reason was that some residents were abusing the system by having fans because they did not have air-conditioning. Some who had air-conditioners in their rooms because the home did not have central air, were going to be charged $40 to have the thing connected and then a substantial amount of money per summer season as well.

He said the rooms were getting cluttered and therefore he wanted to try to put a financial incentive in place for the residents to take their personal effects out of the rooms and back to their relatives' homes. That says something about quality of care and something about the attitude of some of the nursing home owners in this province towards whether these are really homes or whether these institutions are in place to make a profit. It also says something about the profit motive being far more important to the owners of nursing homes than is the quality of care.

This same nursing home operator introduced a new policy a few months ago as well. With this policy, anyone who is on Green Shield–and they have the private coverage for the nursing home copayment–will have to put a $1,000 deposit on account with the nursing home operator.

A $1,000 deposit represents $140,000 for this nursing home owner because, among the four nursing homes, there are 140 people on Green Shield. That $140,000 on deposit can produce a fair amount of revenue if that money is invested, and the owner of the nursing home said that was exactly what he was going to do. He did guarantee that when the resident left the nursing home, he or she would have the money refunded.

Unfortunately, we know that when people leave nursing homes in Ontario, it is because they have died. We do not have a nursing home system in this province that is good enough for rehabilitative care to occur or community support services where people can actually be discharged out of nursing homes and go back into the community.

Basically what he was saying was: "I will keep the $1,000 on deposit. I will collect all the interest on the return on the investment, and then, when the person dies, I will give the $1,000 back to the estate."

He says the $1,000 is required because Green Shield does not pay at the beginning of the month; it pays at the end of the month. Therefore, he goes 30 days without being paid the nursing home copayment. My understanding is the Ontario hospital insurance plan does exactly the same thing. It does not pay before a service has been delivered; it pays after the service has been delivered.

This gentleman, whom I believe was the second-highest donor to the Conservative Party of Ontario of all the nursing home operators in Ontario from the last records we have seen, simply wanted to do one thing: increase his cash flow and increase his profits, and at the same time increase his personal quality of life, but nothing for the residents at all.

4:50 p.m.

We saw recently in the Toronto Star a whole series of articles on individual nursing homes. We saw the concerns about understaffing, about abuse and about basic things such as dirty floors. We saw the example of the Extendicare nursing home in London, where 19 deaths occurred. Inspections demonstrated that even after the outbreak of the virus, the conditions of a brand-new kitchen were very poor. Those conditions were documented by staff of and consultants for the Ministry of Health.

In our nursing home system in Ontario, there is a basic lack of dignity for the residents. I am convinced that if we are to get at the root problem of the nursing home system in this province, we have to have access to the books. We have to see what money is being spent in the vital areas of nursing care, food and recreation so we can see what the commitment of nursing home owners is to the quality of life in the homes. If we had access to that information, I am sure we would see that the only system that puts quality of care before profit is a not-for-profit system, and that the data provided by having to file financial information would prove that beyond doubt.

With the current system, we know investment houses and advisers say that nursing homes in the United States and Canada are very good investments. In a series of articles in the Toronto Star, one dealt primarily with the spending on homes. I quote from it in part:

"Diane Uruquart, an investment analyst for Burns Fry Ltd. says, 'American investors are paying relatively more to invest in nursing homes than to invest in other industries because they see big profits. In Canada, investors see nursing homes as strong investments with guaranteed growth and reasonable security due to our ageing population.'

"Ernst and Whinney reports also indicate that nursing homes are a profitable investment. According to the report, in 1983 a sample nursing home spent on the average, including staff, $16.79 a person daily on nursing care, 43 cents a person daily on activities, $4.87 a day on dietary expenses, and $1.87 a person daily on housekeeping.

"The total daily average cost of running the sample homes in 1983 was about $40.07 for each resident, according to the report. Based on this cost, and excluding capital expenses, annual revenues for a typical 200-bed nursing home with 110 beds designated as ward accommodation, 40

as private and 50 as semi-private, would be $3,383,367.50. Using this model, the average home would make $1,255 a day in earnings and a total of $458,000 operating profit in that given year."

That is not a bad return on revenue. We need to see, right across this province, how much of our hard-earned taxpayers' money and that of our constituents is going into the care of the elderly in this province who are in nursing homes. If we saw that data, I suggest we would understand that in a truly caring society the money would be much better spent on the people who reside in those nursing homes by upgrading the quality of care.

I also suggest that if we took the amount of money spent on profits to nursing home operators and reallocated it in community support programs, instead of on the trend towards more nursing home beds and more institutionalization, we could put in place across the province a substantial number of new programs to keep people out of our nursing homes, and to turn around the emphasis on the expensive institutional approach to health care by providing a system of care that guarantees the dignity and independence of the elderly, which this party feels very strongly about.

I appreciate the opportunity to be able to debate this bill today. I hope and expect all members of the Legislature will support the bill and that under the new atmosphere in this Legislature, when the bill passes second reading, the government will see fit to call it for third reading so that financial accountability, which is simply common sense, will be put in place for an industry that costs the taxpayers $250 million a year and provides care to more than 30,000 elderly people in this province.

I will save the remainder of my time to sum up at the end of the debate. I look forward to participation from other members.

Mr. Speaker: The member has reserved four minutes.

Ms. E. J. Smith: I am very happy to join in this discussion of nursing homes because, as a city council representative on the health council in London, it was one of my major concerns. I could not understand then, and I agree, as the member has suggested, that one has a very confusing picture when talking about a free-enterprise undertaking which at the same time is almost monopolistic in that there is and will continue to be more demand than there are spaces. That very quality that makes the free-enterprise system have some value in our society, namely fair competition, ceases to be in the picture.

The aim of nursing homes, as has been suggested, is to maintain the quality of life of people in a certain degree of physical need. What we see is an extremely money-making business on which we have very little hold. We are not sure where the money is being made or why it is being given. We know the government finances this to provide quality of life for these people in nursing homes, and yet we do not have in place a system by which we can determine what money is going towards quality of life, what to essential care and what to the business profits involved.

For instance, I was most distressed to hear that large groups from outside this country are even investing in this business in this province because it is so profitable. That is not my idea of how an essential public service, paid for by tax dollars, should be run. At the same time, I can see the value of keeping the private business hand in this.

My concern will be that we have to address much more than what is in front of us here and we must do it in a way that manages to do so.

Mr. Runciman: Does that mean you are going to veto it?

Ms. E. J. Smith: It does not. I think what is established here is good in principle and will be one of the matters referred to a committee, which we know because the minister has told us it will be addressing the whole nursing home program.

I am not sure this is the total answer. While I am sure I will not be opposing it, I will be recommending that it go, along with other recommendations, to a committee that looks at the total picture rather than a little piece of it.

One of the major problems we have to look at in this larger undertaking of examining nursing home care is the fact that nursing homes are only one portion of a continuum of care that used to start largely with an old people's home, move to a nursing home and on to chronic care. Already we are living through a very large and vast sociological change in that old people's homes are becoming an anachronism and nursing homes are becoming part of a system that feeds into chronic care, and yet we are very desperately short of chronic care facilities in this province.

Therefore, we have a system in which nursing homes are being required to provide different levels of service. They provide low and high levels of service. I have no doubt that, if we examined different nursing homes, we would find some have a greater portion of high-level service needs and some may have people who

generally are in pretty good health. As someone going around to nursing homes during election campaigns, I am very impressed with the fact that some of the people are almost totally dependent on being fed and cared for. Others are extremely independent and want to maintain their dignity and independence at a much higher level.

5 p.m.

Thus, we have to avoid a situation where, in this competitive market, it would be useful and profitable for individual nursing homes to take those people who require less care and leave those who require more care for somebody else. This happened in children's services, as members know, and ended up with the most difficult children to treat not being able to get into any of the services. We have the situations we all remember: Brown's Camp, Warrendale and so on.

We must establish in nursing home care something that can measure what is needed to maintain the quality of life. This may not be the same in every nursing home and it may not be the same in four or five years, because we tend to care for more and more dependent people as time goes on. We must work very carefully to establish these different protections in the work we do.

Most especially, in looking at the proposal in front of us, I agree completely that in many cases this is 100 per cent taxpayers' money, and accountability is essential. The way this accountability is to be accomplished bears a good a deal of examination.

I suggest to the member for Windsor-Riverside (Mr. D. S. Cooke) that in posting in detail the projected expenditures for nursing care, food, recreation and other programs in the building, it may not be best to make everything public. Certain portions of this information should be readily available to the people who are receiving the care, but these same people might be completely discouraged from taking a good look at it if it is put out in such a large bundle of information that they cannot find the information that applies to their quality of life.

In other words, the persons in these homes should be readily able to see what the province is paying for in recreational programs for them. They will know whether they are getting them or not and they will be our first watchdogs to make sure they are getting what they should be getting in these areas. I can see posting in the institutions those parts of the figures that would be most readily understood and used by the occupants.

In another way, I can see making the information available to staff, who are more sophisticated and may want to look at it from the point of view of understanding not only the programs they are supposed to be providing but also the work load they are being expected to carry, etc. That information should be available for them to study in a more sophisticated way, but I do not see it as being of value to post it on the wall of the institution. It would bury the information that would be useful to the people living there.

At another level are the profit-and-loss statement and the general financial statements. This is useful information, information we undoubtedly should have here in some way and to some degree for us all to understand what we are doing in nursing home care. The way we have it has to suit the sophistication of the people dealing with it and must be posted in the way most useful for that degree of sophistication.

I really feel we must not lose sight of our major aim, which is, as the member for Windsor-Riverside so carefully stated, the quality of life and the preservation of the dignity of the people for whom we have the responsibility of providing care. In so far as we find that the proposed act will work towards those ends, I am sure it will get the support of the members of this House. In so far as it may unnecessarily complicate those ends, then we must look at the most efficient way to do it.

I join with the member in wanting to put our best foot forward to improve the quality of life, to make sure the money we are spending goes to that quality of life and to make sure in some way that we do not become so rigid in our rules that we do not provide for the flexibility that will make sure that the person in a nursing home in Windsor receives the same degree of care as the person in a nursing home in Rainy River or wherever else nursing care may be provided. We must do it in a way that allows cost comparisons for those who can use them to make sure the quality of life is indeed uniform, but yet allows for the variety of care that is necessary according to the people who are being cared for in a particular home.

I am sure this will best be done by the committee and I will be happy to support this in so far as I am sure this is one of the pieces of information we should use to improve our whole approach to nursing home care, as has been promised by the minister and the ministry.

Mr. Runciman: It is interesting to note the contribution of the government whip to this

debate. I hope her contribution is not being made today because she could not get other members of her caucus to speak on this bill. If that was the case, it is understandable.

Ms. E. J. Smith: This has always been one of my main interests.

Mr. Runciman: I am glad to hear that.

I am opposed to the bill introduced by the member for Windsor-Riverside, one of the pinkest of the pink of that group over there. It is another intrusion and another irrelevant attack against the private sector.

This bill requiring the financial statements of licensed nursing homes to be tabled in the assembly and made available to the public serves no productive purpose. It might be ego food for some individuals over there, or perhaps the member is doing penance for the fact that he was instrumental in bringing into this House the member for York South (Mr. Rae), who is obsessed with the idea of power and is willing to destroy his party. He has brought them to the precipice, like lemmings, and they are going to go off that precipice at the next election.

There is no question that strong standards should govern the operation of nursing homes and protection procedures should serve to ensure that these standards are met. The dollars spent per year, projected expenditures and statements of profit or loss, cannot be seen as valid indicators of the quality of care provided and cannot be used as a gauge of how well our elderly are being cared for.

The most effective way to monitor the operations of the province's nursing homes is to have in place strong governing legislation, a comprehensive system of inspecting and reporting on the findings of the inspections and a forum for the reporting and investigation of complaints.

I am sure the member knows that the operations of Ontario nursing homes are very closely supervised by government through the Ministry of Health. The member likes to downgrade the efforts of the previous government, but in the past the Conservative government made a concerted effort to ensure that the highest quality of care was delivered to our elderly living in nursing homes. I am sure he will not admit that. Of course, his party's approach is to nationalize anything that moves.

Mr. D. S. Cooke: This is not nationalizing. Did the member read the bill?

Mr. Runciman: This is just a little step towards it.

In 1983 the Conservative government introduced a number of amendments to the Nursing Homes Act to significantly broaden government powers to act when the health, safety and welfare of residents might be in jeopardy.

These changes included initiatives regarding inspection procedures and the enforcement of nursing home regulations. The amendments also included mandatory residents' councils in all nursing homes to act as a forum for voicing complaints, giving the Ministry of Health the authority to suspend a licence when the health, safety or welfare of a nursing home resident is in jeopardy and the creation of an external appeal process to investigate complaints.

As well, the Conservative government in March 1985 set up within the Ministry of Health a residents' complaints committee. This committee has a mandate to receive and investigate complaints from nursing home residents and their families and friends.

Nursing homes in Ontario are inspected annually. Five different inspectors are responsible for examining and reporting on the quality of care provided in nursing homes. There is a nursing inspector, a dietary inspector, an environmental inspector, a fire inspector and an occupational health and safety inspector.

The five inspectors work independently and come in unannounced at any time two or three times a year. The reports of the nursing home inspectors since July 1983 have been available for public scrutiny and are posted in nursing homes. They serve as the most effective gauge for monitoring the quality of care provided.

5:10 p.m.

The bill before the House today calling for the disclosure of the financial statements of licensed nursing homes is meaningless, other than, as I mentioned earlier, window dressing for the declining number of New Democratic Party supporters, to indicate they are something more than a red rump and apologist for the Liberal government. I can assure the members of this House that it will not wash. I suggest the member perhaps talk to Ian Orenstein as to whether this is going to do the job for him and his leader; I suspect it will not.

The actual dollars and cents spent by a nursing home are irrelevant. They do not give any substantive indication of the quality of care provided. Quantity does not equal quality. If one institution makes more profit than another, this does not mean it cuts corners in looking after its residents; perhaps they run a more efficient operation.

Different nursing homes have widely varying figures in their financial statements. This is due

to different realty taxes, different locations –urban or rural–different labour costs and different styles of operation. It is obvious that numbers cannot be used as a criterion for judging the quality of care provided. If the goal of this bill is to monitor the quality of care provided, and I do not believe for a moment that it is, and to ensure greater accountability by these government-subsidized institutions, we must make more effective use of the procedures in place. I want to talk a bit about–

Mr. D. S. Cooke: Which ones are those?

Mr. Runciman: The procedures in place. I ran through them for the member. I gather he was not listening.

Let us talk about the private nursing home in my riding. There is only one, Carveth Care Centre in Gananoque. One would have difficulty finding a more outstanding facility anywhere in the province than Carveth centre. It is owned and operated by the Gibson family, excellent people who are very much involved in the community.

If the member for Windsor-Riverside were to take the time to go to Gananoque, meet with members of that community and talk to residents of Carveth centre, he would get a different picture from the one he is trying to portray today, and different from the one he and his party are continually trying to portray about nursing home operators, in tarring everyone with the same brush.

This bill does nothing more than represent a slap in the face to the Gibson family and other private sector institutions that for the most part do the best job they can to provide quality care for our elderly.

Mr. R. F. Johnston: It is a pleasure to rise in support of this bill. If the most recent speaker thought the member for Windsor-Riverside was the pinkest of the pink, by the time I have finished, he is without any doubt going to think of me as Red Richard.

I see this as a tiny but very important piece of legislation with respect to trying to get a handle on some serious issues that are often not dealt with in as large philosophical terms as they should be. I think we have in Ontario and in the rest of this country an obscene system of institutionalizing citizens of this province or country for profit. It has been condoned by government since private nursing homes were allowed to exist in this province, and it continues to be supported tacitly by everyone in this House.

In my view, it should be seen to be absolutely intolerable. The institutionalization itself should be a questioned philosophy, and the notion that people should profit by it, and therefore gain a vested interest in institutionalizing people, should be seen as totally counterproductive to a civilized society.

Why has this government, and past governments for about 42 years before that, allowed this nursing home industry to exist and expand at an incredible rate over the last 10 to 15 years? As my colleague from Windsor-Riverside has shown, it has become one of the best investments, and any analyst will tell an investor one to put his money in. Why has the government done this at a time when it has cut back on nonprofit homes and has failed to put money into community alternatives? Why has it done it without any accountability?

If I were a cynic, and I am certainly not, as all members will agree, I might say that perhaps the government of the day was willing to compromise philosophies of institutionalization and notions of the best quality of care for people for the sake and support of industrial friends. I might say that perhaps donations to political parties became an important kind of consideration in this matter and that the large number of dollars that came in from owners of nursing homes to the government of the day was a factor in the decision-making and clouded its philosophical approach.

I know this has been of great concern to the member for Leeds (Mr. Runciman) in the past. However, this cannot be the reason. Surely we would not have had a government that would have made those kinds of decisions. This obviously would have been just an oversight, a matter of absolute trust in this particular section of the economy.

Somehow, it was felt we should treat homes for the aged in a very different way than we deal with nursing homes; that we should demand an accountability in those homes for the aged, a certain kind of program for every resident who is there, but we should allow nursing homes a free hand and presume they would follow the lead of those municipally run and charitably run homes for the aged.

As the member for Windsor-Riverside has said, and my leader has said on other occasions, that has not been the case. When we get the figures and understand the costs in running nursing homes, what is actually spent in a specific one, we start to understand they are not spending the money for the quality of life for the individuals in those institutions but are pocketing it.

They are making profits. They are increasingly becoming a part of large conglomerate

corporations which own hundreds of homes across North America and whose interest is in the stock exchange, not in the residents.

We have tried a number of means of getting this government, especially the past government, to look at the quality of care for people in nursing homes and to question some of the basic ethics, or lack of ethics, that are behind having nursing homes at all. We have raised things such as the lack of proper investigation, of standards, and asked the government to move when it finds horrendous cases of filth or lack of support for residents. We have had very limited success. It is only when we have had horror stories to use, when there has been a body count, that we have ever got any action. That is the only occasion.

Using this very simple tool the member for Windsor-Riverside has brought us today, we could open the doors for the public to see what is going on in nursing homes. We could turn it into a public issue that would raise the philosophical issues that lie behind it. We could question the whole premise of that industry and maybe it could look at a more humane way of dealing with our elderly people.

5:20 p.m.

It is not just the elderly. I want to remind the members there are many retarded people in nursing homes around Ontario who do not have individual programs of support or specialized education to assist them. For years in some cases, they have vegetated in cribs, lacking any kind of stimulation; they have languished in that way. For many years, these children were mixed into the same situation as children with major chronic disabilities of one kind or another. It is not just our elderly.

What is suggested is this one tool of having it tabled here in the Legislature. It is too bad the government whip is not in the House at the moment. Her concern that posting the information in the home may not be particularly public is a legitimate concern if those full reports are not tabled here for our scrutiny, for us to make absolutely public and for the press gallery to see and talk about. That is the major suggestion of this small piece of legislation.

If we had the information on their profit and loss and their budget for the coming year and we saw a home was making an annual profit of $400,000, or whatever figure the member for Windsor-Riverside used as an example, and was spending only $400 on recreational moneys and operational costs for that home, then any member in this House would surely be outraged and would say: "Let us get after that home. Let us find out what is happening and question whether it should be in private ownership." Perhaps we should look for a nonprofit board in the community or even suggest–dare I say, as the member for Leeds said–that the government should assume responsibility.

I have been in nursing homes–as anybody else who has been in this House for any length of time has been–and walked into a room where 25 people were in a supposed recreation class, 20 of whom were in need of reality therapy. They were sitting, staring, tied into their chairs, with one person trying to look after them. Three relatively active people received the program while the others sat there for an hour and a half because we do not have standards that require the kind of funding for appropriate staffing of those homes.

Any one of us who has been around for any length of time knows that and yet we, as a Legislature, have not moved on it. Having before us this information on what they are actually spending in comparison to their profits would force this Legislature and this government to move dramatically.

I say to the government whip that this information should not wait until a select committee has sat. This is information that should be asked for now so the select committee can look at it and use it as part of its rational deliberations on whether we should be privatizing these kinds of services or whether we should be reinforcing the community's and the government's responsibility for protecting the frail in this society.

I cannot understand for one second why members of the Conservative Party, who are all in favour of fiscal responsibility and fiscal accountability, do not want accountability for $250 million worth of taxpayers' dollars.

I know that in the end, no matter what the member for Leeds may have said to them in his irresponsible fashion of not wanting accountability for that money, the members of the Conservative Party will take their Conservative principles to heart and will all support this bill because they want that kind of accountability and do not want people misspending government money.

Mr. Offer: I have listened to what has been said by the previous speakers. To begin, I guess it is trite to say that safeguarding the quality of care in our nursing homes is a question of paramount importance to each and every member who is now in this Legislature, who has ever sat in this Legislature and who shall ever sit in this Legislature. When we are talking about nursing homes, as the member for Scarborough West

(Mr. R. F. Johnston) indicated, we are talking not only about our aged but also about children with chronic disabilities and others.

The importance of our responsibility grows, especially as the number of aged in our society increases as a proportion of our population. People are becoming older in larger numbers than ever before. Consequently, our responsibility to the inhabitants of nursing home establishments is a responsibility of care, safeguards and protection.

It was indicated by the member for Scarborough West that this is a short bill, a bill of only 30 lines. That does not indicate in any way, shape or form its importance. To ignore our responsibility is to do a disservice of paramount proportions. With this duty in mind, I wish to indicate that I endorse the principle expressed in Bill 92, but I also wish to indicate to the member for Windsor-Riverside that although I applaud and endorse the thrust of the principle, I do have concerns about the specific elements that make up the bill.

The current section 96 of the regulations under the Ontario Nursing Homes Act prescribes that certain financial information be available. For instance, the licensee of a nursing home is required to maintain current financial records; to maintain a separate record of moneys obtained from sources other than the Health Insurance Act; to record the receipts, expenditures, assets, liabilities and equities of the nursing home, and to keep in the nursing home an annual financial statement that includes a balance sheet, an income statement and a statement showing source and application of funds.

The bill before us takes the availability and accessibility of these financial records one step further. It states that a financial statement should be prepared by each licensee, together with a pro forma statement of sorts for the following year. Then it indicates the licensee shall file that financial statement with the minister within 90 days of the end of the licensee's fiscal year, and when the minister is in receipt of the statement, he should submit it to the Lieutenant Governor in Council and lay the report before the assembly.

After the financial statement has been tabled, a copy of it is to be posted in a conspicuous place at the nursing home and is to be made available on request during regular hours. This requirement makes the financial statement public to all. It is suggested the publication of past financial records and future projections would better enable the Minister of Health to assess the overall financial validity of the nursing home. For example, given this type of information, the minister might be able to relate financial circumstances to level and quality of care provided in the home.

It would give the minister the ability of a prospective purchaser or operator to fulfil pre-approval conditions which may be tied to an award or transfer of ownership. It would allow us to focus attention with respect to the quality of care on the homes that may be in financial difficulty, and it would encourage efficiency and management improvements in homes where they are warranted.

It has already been noted that the minister has indicated he will be bringing forward comprehensive amendments to nursing home legislation this session. I see merit in the suggestion that the government should have improved access to the financial information suggested in Bill 92. The financial affairs of a specific nursing home may affect the quality of care being provided. I suggest this government's commitment to improving quality of care is well known.

5:30 p.m.

It seems the intent—access to detailed financial information—will better enable the minister to assess the relationship between individual nursing home operations and the quality of care provided. However, to carry such a requirement that one step further to full public scrutiny might present certain problems. For instance, as we know, there is a variety of corporate structures and operating models throughout the nursing home industry. This will make simple comparisons of standardized financial information difficult. Indeed, the mere fact of full publication could result, though unintentionally, in misleading information comparisons.

In addition, public disclosure of detailed financial data in a private, competitive industry is a substantial departure from traditional business practice. Market distortions could well occur if more profit-oriented operators were to take undue advantage of such information; information that, as we know, is not normally shared between competitors. I submit that it is not in the best interests of the residents of those nursing homes that the possibility of these distortions be publicized and available.

While I endorse the principle that pervades the 30 lines that make up Bill 92, I believe there must be a balance between, on the one hand, the recognized need for more information to assist in improving the quality of care to the aged, to children and to all persons within the nursing home system, and, on the other hand, the

integrity of the underlying business structures, the integrity of some confidentiality and the integrity of greater accessibility to financial information being required and demanded by the government but that it not be available to others within and making up the market of the nursing home field.

With that in mind, I once more state my full endorsement of the principle behind Bill 92, with the reservations I have indicated.

Mr. Taylor: I will follow up the very thoughtful remarks just made by the member for Mississauga North (Mr. Offer).

As members know, I have not participated actively in the private members' hour for some years. I had a reason for that. My view was that a private members' hour should be just that: an hour set aside for members from whatever political party to advance a thought, a resolution or a draft bill unencumbered by party discipline so we could get a free expression from all sides of the House. My experience has been that with the caucus bills and discipline votes, this has not been very apparent in this assembly.

I am making an exception to my commitment of nonparticipation today because I have been involved in this whole area of nursing homes and the legislation since the inception of the legislation. I have been involved, not financially but as a member of this Legislature and as a participant in the legislation as it came forward, with some of the problems flowing from the regulations and the conversion to a different style. At one time, many of these nursing homes, especially the large homes, were in buildings not designed for the regulations subsequently adopted by this assembly. There has been an evolution of types of structures and types of care.

What is paramount is the need for our generation to be supersensitive about the needs of the older generation. It is so important for us to be ever mindful of the needs of the elderly. Different things happen. We are all ageing. There are different levels of ability and disability. The member for Mississauga North pointed out that our general population is becoming older. The problems we face today will become even more important. The problems of caring for our elderly will bring further pressures on society and on the work of this Legislature.

I take exception to some of the statements that have been made. The self-dubbed Red Richard, the member for Scarborough West, seemed to take delight in bashing the private sector for its participation in this delivery of service. I do not look at nursing homes in the way he does. My perspective is a little different now. Maybe I am a little mellower.

We do not have the high-rise human filing cabinets in the riding I represent as some members may have. We do not warehouse the elderly in my riding. When I hear of these large, 200-bed nursing homes that need addressing and that seem to be plundering the public, preying on the weak and the oppressed, that is something I have not witnessed in any great abundance.

Mr. Warner: The member lives in a delightful part of the province.

Mr. Taylor: I do live in a delightful part of the province. We know who the residents are in our nursing homes. They are our families, friends and neighbours, and we are sensitive to the need for first-rate care. I can assure the members they are getting that care. We are ever-vigilant and ever-present. We have not abandoned our elderly in the part of the province I live in, and I hope that is so in the part of the province the honourable member lives in.

As the Liberal member for Mississauga North pointed out, there are legislative requirements for financial statements. Those statements are available and inspected by the branch. Their budgets are inspected. There is a need to set out in detail all aspects of the dietary part of the operation; the environmental aspect in terms of air, temperature and lighting; the fire prevention mechanisms; nursing care, and occupational health and safety measures.

These areas are inspected now. If they are not being properly inspected in the honourable member's riding, then I challenge him to get out and determine who is offending the regulations. He should report it.

Mr. D. S. Cooke: We have done that.

5:40 p.m.

Mr. Taylor: Then the NDP, as a coalition with the Liberal government, is in a position of power to ensure that the administrators enforce these regulations. If we need more enforcement, let us get more enforcement, but I urge the party not to discourage private investment. Remember, hundreds of millions of dollars of private money, money that is not a burden to the taxpayers of this province and is not part of this provincial capital debt, has been advanced by the private sector to build these facilities.

The honourable member spoke about the homes for the aged. I have good homes for the aged in my riding, but they are not required to table their financial statements in this House.

Mr. D. S. Cooke: The government has access to them; so do members of this Legislature.

Mr. Taylor: They are financed 100 per cent by government.

Mr. D. S. Cooke: No, they are not.

Mr. Taylor: There is 80 per cent provided by the provincial government with participation in the ongoing cost by the federal government and 20 per cent provided by the municipalities or the county. The capital costs are shared, but they are all public funds that are put into these things. In their operation, one will see that their daily rates are at least twice as high as the daily rates of the privately operated nursing homes. Is the member accusing them of gouging? These are the nonprofit facilities. They are the homes for the aged.

Why pick on the nursing home operators to file this material in a public sense for their competitors to look at? The NDP does not require doctors who are in the Ontario health insurance plan, dentists who participate in a government-sponsored plan or lawyers who participate in legal aid programs or unions, to table their financial statements.

The party mentioned the Conservatives as friends of the industrialists looking for big donations. That was rather intemperate of the member for Scarborough East who again termed himself Red Richard. I do not believe that was a temperate remark. After all, why does the NDP not require its union bosses to file their financial statements? When the coal miners' strike was on in Britain, the Canadian Labour Congress sent over funds. It went to Libya to get funds. It went to Russia, which sent $830,000 for that strike. Money from the NDP's union membership went there as well.

Mr. Breaugh: I would have sent some of my money over too.

Mr. Martel: I took a tin cup.

Mr. Taylor: Why does it not table those if it is so interested in what is happening in some of these areas?

I wish I had another 10 minutes or half an hour to carry on, but I do not. Members can get the gist. This is just a charade. It is a coverup for the provincialization of the nursing home system in Ontario.

Mr. Speaker: I regret to inform the member for Scarborough-Ellesmere that his time will be limited to one and a half minutes.

Mr. Warner: One cannot put a measure on this.

The problem many of us in this Legislature have wrestled with for many long years is the nursing home industry. It is not a facility that is set up primarily to care for elderly sick people; it is an industry whose prime purpose is to make money. Quite frankly, I find the concept of making money off elderly sick people to be quite abhorrent.

It is obviously not abhorrent to the Conservative Party. It finds that a delightful prospect because it has a captive market. They can wring millions of dollars out of these people because they are ill. When the Conservatives were in power, the nursing home industry had a direct pipeline to the Tory government. It was able to flout the Nursing Homes Act in every conceivable way because it was always protected by the minister. It did not have to face revocation of licences or pay hefty fines. Why? It was because it had a direct pipeline.

Nursing home operators knew that any time they wanted, they could carry on whatever abuses they wished–saving and except Prince Edward county, of course–without fear of being hit by the ministry because of the cozy relationship. In fact, it was so cozy the director–

Mr. Speaker: The member's time has expired.

Mr. Warner: I support the bill.

Mr. Speaker: The member for Windsor-Riverside has his remaining four minutes.

Mr. D. S. Cooke: I appreciate most of the participation in this afternoon's debate, but I am not going to say I appreciated all of it. I want to refer to a couple of the comments of a few of the rational members who spoke this afternoon. The first is the member for London South (Ms. E. J. Smith), the government whip.

One point she made at the beginning of her remarks that bothered me was that nursing homes are a part of a continuum of care. One of the things we have to change in our health system in Ontario is the attitude that nursing homes are part of the continuum of care. They need not be; they should not be. That is what nursing home reform is all about–community support systems and reform of the care of the elderly.

Nursing homes and institutions should not be seen as somewhere that senior citizens naturally go when they get older. It is not something that has to happen, or would not be if we had the proper alternatives in place in this province.

The member for Leeds (Mr. Runciman) and the member for Prince Edward-Lennox (Mr. Taylor) indicated very clearly where the Conservatives stand on this issue. Since we have come

back from Christmas, the Tories have indicated where they stand on three health issues, this being the third. They are on the pharmacists' side as opposed to consumers; they are on the doctors' side as opposed to the taxpayers and patients of this province, and, as always, they are on the side of the nursing home operators and private enterprise in our health care system as opposed to quality care for residents in this province.

I would have thought this is the kind of bill that a right-wing Conservative would have brought in. The reason I think that is because the Tories in this province have always said they are the party of good management, the party that spends taxpayers' money wisely. Here is $250 million being spent and they do not even know how. They do not want to require any public disclosure of how it is spent because they want to protect their friends in the Ontario Nursing Home Association and their profits.

They did not mind bringing in regulations that said private ambulance companies have to file their financial statements. As legislators, we have access to that information. That is private enterprise; that is available to us, so why should this $250 million not also be examined by the public and members of the Legislature?

I am not suggesting this bill will solve all the problems in the nursing home industry. I am not so naïve as to believe that. I know the nursing home industry quite well and I know what kind of care the elderly get in many of the nursing homes of this province, but I believe this bill would give us some financial data so we, as members of the Legislature, would be able to examine whether public funds are being wisely spent in the private sector and nursing homes, one aspect of overall care for the elderly in this province.

We do not need this bill to be referred to a committee in terms of the concept. We need this bill to be referred to a committee so it can be refined, amended and reported back to the Legislature, passed for third reading and enforced before, as my colleague said, the select committee that is going to be examining commercialization of health care meets. These kinds of data are essential if we are to analyse how the private sector operates in our health care system.

I will finish by saying I cannot believe the position the Tories have taken here today. I hope the rational members of the Legislature, who believe in public accountability and quality of care for our senior citizens, will support the bill right now.

5:55 p.m.

SCHOOL BOARDS AND TEACHERS COLLECTIVE NEGOTIATIONS ACT

The House divided on Mr. Davis's resolution, which was agreed to on the following vote:

Ayes

Brandt, Callahan, Cooke, D. R., Davis, Dean, Fish, Gregory, Guindon, Hennessy, Johnson, J. M., Lane, Marland, McCague, McFadden, McGuigan, McKessock, McLean, Miller, G. I., Morin, Partington, Pierce, Pollock, Reycraft, Smith, D. W., Stephenson, B. M., Stevenson, K. R., Taylor, Treleaven, Villeneuve.

Nays

Allen, Breaugh, Charlton, Cooke, D. S., Cordiano, Epp, Fontaine, Gigantes, Grier, Haggerty, Henderson, Johnston, R. F., Knight, Laughren, Mackenzie, Mancini, Martel, Morin-Strom, Nixon, Offer, Philip, Poirier, Polsinelli, Pouliot, Scott, South, Warner, Wildman, Wrye.

Clerk of the House: The ayes are 29 and the nays are 29.

Mr. Speaker: So that democracy may flourish and so this may be considered at a further time, I will vote in support of the resolution.

Ayes 30; nays 29.

6:06 p.m.

NURSING HOMES AMENDMENT ACT

The House divided on Mr. D. S. Cooke's motion for second reading of Bill 92, which was agreed to on the following vote:

Ayes

Allen, Breaugh, Callahan, Charlton, Cooke, D. R., Cooke, D. S., Cordiano, Epp, Ferraro, Fontaine, Gigantes, Grier, Haggerty, Johnston, R. F., Knight, Laughren, Mackenzie, Mancini, Martel, McGuigan, Miller, G. I., Morin, Morin-Strom, Nixon, Offer, Philip, Poirier, Polsinelli, Pouliot, Reycraft, Sargent, Scott, Smith, D. W., South, Warner, Wildman, Wrye.

Nays

Brandt, Cousens, Davis, Dean, Eves, Gregory, Guindon, Hennessy, Johnson, J. M., Lane, Marland, McCague, McFadden, McKessock, McLean, Partington, Pierce, Pollock, Stephenson, B. M., Stevenson, K. R., Taylor, Treleaven, Villeneuve.

Ayes 37; nays 23.

Mr. Speaker: Shall this bill go to committee of the whole House?

Mr. D. S. Cooke: I discussed this matter with the government whip and she agreed the bill could go to the standing committee on social development.

Mr. Speaker: According to the standing orders, if it is the wish of the majority of the House, a bill can go to a standing committee. Is this the wish of the House?

Bill ordered for standing committee on social development.

BUSINESS OF THE HOUSE

Hon. Mr. Nixon: Mr. Speaker, as required by the rules, I would like to indicate the business of the House for the remainder of this week and next.

Tonight, there is the report of the standing committee on resources development on the Workers' Compensation Board. There is some indication the debate will not be completed by 10:30 p.m.

On Friday, January 17, there is third reading of Bill 95, An Act respecting Science North, and Bill 97, An Act respecting Amusement Devices, with committee of the whole House and third reading of Bill 1, An Act to revise the Family Law Reform Act. We will continue second reading of Bill 94, An Act regulating the Amounts that Persons may charge for rendering Services that are Insured Services under the Health Insurance Act.

On Monday, January 20, in the afternoon there will be the estimates of the Ministry of Northern Development and Mines. In the evening we will continue second reading of Bill 94.

On Tuesday, January 21, in the afternoon there will be second reading and committee of the whole House, if necessary, on Bill 76, An Act to amend the Public Service Superannuation Act, and second reading of Bill 75, An Act to amend the Education Act, and Bill 65, An Act to amend the Labour Relations Act, with divisions, if necessary, stacked to 5:45 p.m. In the evening we will continue second reading of Bill 94.

On Thursday, January 23, in the afternoon there will be private members' public business standing in the names of the member for Frontenac-Addington (Mr. South) and the member for Carleton-Grenville (Mr. Sterling). In the evening we will continue second reading of Bill 94, if necessary.

On Friday, January 24, we will continue second reading of Bill 94, if necessary.

The House recessed at 6:12 p.m.

CONTENTS

Thursday, January 16, 1986

Statements by the ministry

Elston, Hon. M. J., Minister of Health:
Drug substitutes 3122

Fulton, Hon. E., Minister of Transportation and Communications:
Urban Transportation Development Corp. 3122

Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development:
Ontario student assistance program 3121

Oral questions

Bradley, Hon. J. J., Minister of the Environment:
Environment fines, Mrs. Grier 3131

Curling, Hon. A., Minister of Housing:
Affordable housing, Mr. Rowe 3134

Eakins, Hon. J. F., Minister of Tourism and Recreation:
Ontario Lottery Corp., Mr. Swart 3134

Fontaine, Hon. R., Minister of Northern Development and Mines:
Cancer treatment centre, Mr. Gordon, Mr. Martel 3132

Fulton, Hon. E., Minister of Transportation and Communications:
Urban Transportation Development Corp., Mr. Rae, Mr. Hennessy 3128

Kwinter, Hon. M., Minister of Consumer and Commercial Relations:
Insurance rates, Mr. Davis, Mr. Runciman, Mr. Swart 3126

Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue:
Ontario Institute for Studies in Education, Mr. McFadden, Mr. Rae 3124

Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development:
Futures program, Mr. Gillies, Mr. Wildman 3130

Sweeney, Hon. J., Minister of Community and Social Services:
Homes for the aged, Mr. D. S. Cooke, Mr. R. F. Johnston 3133

Wrye, Hon. W. M., Minister of Labour:
Overtime workers, Mr. Rae, Mr. Gillies, Mr. Mackenzie 3127

Petitions

A and P Food Stores, Mr. Morin-Strom, tabled 3135
Human rights, Mr. Callahan, tabled 3135
Ontario Institute for Studies in Education, Mr. Callahan, tabled 3135
Financement des écoles catholiques, M. Guindon, tabled 3135

Reports

Standing committee on regulations and private bills, Mr. Callahan, agreed to 3136
Standing committee on procedural affairs and agencies, boards and commissions, Mr. Breaugh, adjourned 3136

Motion

Committee sitting, Mr. Nixon, agreed to 3136

Government motion

Estimates, Ministry of the Attorney General, resolution 13, Mr. Nixon, Mr. Breaugh, agreed to 3136

Second reading

Nursing Homes Amendment Act, Bill 92, Mr. D. S. Cooke, Ms. E. J. Smith, Mr. Runciman, Mr. R. F. Johnston, Mr. Offer, Mr. Taylor, Mr. Warner, agreed to..... 3147

Private members' public business

School Boards and Teachers Collective Negotiations Act, resolution 26, Mr. Davis, Mr. Allen, Mr. Reycraft, Mr. J. M. Johnson, Mr. Grande, Mr. McGuigan, agreed to 3137

Other business

Answers to questions in Orders and Notices, Mr. Nixon, tabled 3136

Business of the House, Mr. Nixon..... 3159

Recess..... 3159

SPEAKERS IN THIS ISSUE

Allen, R. (Hamilton West NDP)
Bradley, Hon. J. J., Minister of the Environment (St. Catharines L)
Brandt, A. S. (Sarnia PC)
Breaugh, M. J. (Oshawa NDP)
Callahan, R. V. (Brampton L)
Cooke, D. S. (Windsor-Riverside NDP)
Curling, Hon. A., Minister of Housing (Scarborough North L)
Davis, W. C. (Scarborough Centre PC)
Eakins, Hon. J. F., Minister of Tourism and Recreation (Victoria-Haliburton L)
Edighoffer, Hon. H. A., Speaker (Perth L)
Elston, Hon. M. J., Minister of Health (Huron-Bruce L)
Fish, S. A. (St. George PC)
Fontaine, Hon. R., Minister of Northern Development and Mines (Cochrane North L)
Fulton, Hon. E., Minister of Transportation and Communications (Scarborough East L)
Gillies, P. A. (Brantford PC)
Gordon, J. K. (Sudbury PC)
Grande, T. (Oakwood NDP)
Gregory, M. E. C. (Mississauga East PC)
Grier, R. A. (Lakeshore NDP)
Hennessy, M. (Fort William PC)
Johnson, J. M. (Wellington-Dufferin-Peel PC)
Johnston, R. F. (Scarborough West NDP)
Kwinter, Hon. M., Minister of Consumer and Commercial Relations (Wilson Heights L)
Mackenzie, R. W. (Hamilton East NDP)
Martel, E. W. (Sudbury East NDP)
McFadden, D. J. (Eglinton PC)
McGuigan, J. F. (Kent-Elgin L)
Morin, G. E., Deputy Chairman and Acting Speaker (Carleton East L)
Morin-Strom, K. (Sault Ste. Marie NDP)
Nixon, Hon. R. F., Treasurer of Ontario and Minister of Economics and Minister of Revenue (Brant-Oxford-Norfolk L)
Offer, S. (Mississauga North L)
Rae, R. K. (York South NDP)
Reycraft, D. R. (Middlesex L)
Rowe, W. E. (Simcoe Centre PC)
Runciman, R. W. (Leeds PC)
Smith, E. J. (London South L)
Sorbara, Hon. G. S., Minister of Colleges and Universities and Minister of Skills Development (York North L)
Stephenson, B. M. (York Mills PC)
Stevenson, K. R. (Durham-York PC)
Swart, M. L. (Welland-Thorold NDP)
Sweeney, Hon. J., Minister of Community and Social Services (Kitchener-Wilmot L)
Taylor, J. A. (Prince Edward-Lennox PC)
Turner, J. M. (Peterborough PC)
Warner, D. W. (Scarborough-Ellesmere NDP)
Wildman, B. (Algoma NDP)
Wrye, W. M. (Windsor-Sandwich L)

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Legislative Assembly of Ontario

First Session, 33rd Parliament
Thursday, January 16, 1986
Evening Sitting

Speaker: Honourable H. A. Edighoffer
Clerk of the House: R. G. Lewis, QC

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CONTENTS

Contents of the proceedings reported in this issue of Hansard appears at the back, together with an alphabetical list of the speakers taking part.

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LEGISLATIVE ASSEMBLY OF ONTARIO

Thursday, January 16, 1986

The House resumed at 8 p.m.

REPORT, STANDING COMMITTEE ON RESOURCES DEVELOPMENT (continued)

Resuming the adjourned debate on the motion for adoption of the recommendations contained in the report of the standing committee on resources development on the 1984 annual report of the Workers' Compensation Board.

Hon. Mr. Wrye: On a point of order, Mr. Speaker: I have not risen on a point of order to make note of the historic nature of what happened here shortly before six o'clock this afternoon in your chair. As I understand it, it was the first time in recent memory that the Speaker has voted in this assembly.

Before the debate begins tonight, I want to acknowledge the presence of Dr. Robert Elgie, whom we all know, the chairman of the Workers' Compensation Board. With him are Irwin Glasberg, who is his executive assistant, and Doug Cain, whom veterans of the standing committee on resources development know is the executive director of the review services division. I just note their presence and their continuing interest in the deliberations of the Legislature on this important report from the committee.

Mr. Laughren: Mr. Speaker, that was a courageous vote you placed before the chamber this afternoon.

I have now been a member for 14 years plus. They have been 14 years of dealing with the Workers' Compensation Board and with injured workers that have seen a great deal of conflict, a great deal of anger and a great deal of frustration, despair and, if I may say it, a great number of burned-out constituency assistants. Every year, without exception, people came before the standing committee of the Legislature with the same complaints and nothing seemed to be done about them. Members of the Legislature always seemed to be sympathetic to the problems of the injured workers, but nothing ever seemed to be done about them.

However, this year I felt the frustration among members had reached a new level. I think there is a reason for that. It was the first time–and these are harsh words, perhaps–that the Progressive Conservative members told the truth about their own level of frustration in dealing with workers' compensation problems.

On a more generous note, I should also say I feel very strongly that the new members of the Legislature helped a great deal in preparing a report that I hope will go some way to improving the lot of injured workers. I am talking about the new members in all three parties. There was the member for Simcoe Centre (Mr. Rowe); the member for Humber (Mr. Henderson), who is here tonight; the member for Timiskaming (Mr. Ramsay); the member for Essex North (Mr. Hayes), and the member for London South (Ms. E. J. Smith). They were extremely helpful in that they came in as new members and could not believe the proportion of their constituency problems that dealt with injured workers and the Workers' Compensation Board. They simply could not see why this was so and they expressed this in a very honest and very forthright way, regardless of the party to which they belonged. That was extremely refreshing.

The other point is that during the hearings two people from the compensation board were there almost all the time. They were the new chairman, Dr. Elgie, to whom the members of the committee look for some refreshing reforms at the board. There is a feeling among the members that reforms will–

Mr. Haggerty: Is the member suggesting there is hope?

Mr. Laughren: Yes, I believe there is hope. The other gentleman the Minister of Labour (Mr. Wrye) mentioned is Doug Cain. As the standing committee on resources development dealt with Workers' Compensation Board problems over the years, he was always there and was able, in an objective and nonpartisan way, to express warnings when the committee was straying into areas that would cause more problems than effect solutions. The committee members appreciated very much the role that Doug Cain played.

The result of the deliberations was this report, which is a unanimous one. The members were determined to make it unanimous. There were some tradeoffs on all sides, but the government, and the Minister of Labour in particular, should

understand that it is a unanimous report. I hope they will understand that all three parties supported these recommendations, and did so in a very thoughtful way, and that there was considerable debate on every recommendation in the report.

It would be peculiar for the government or the Workers' Compensation Board to ignore the recommendations in this report. With the new chairman of the board, there is a mandate for change. I believe people expect change. I believe even the employers of Ontario expect change. I believe the employees at the board expect change. It goes without saying that the injured workers expect change, and that the members of the committee expect change.

Before dealing with specifics, I should say a brief word about the injured workers' associations that have fought so hard over the years on behalf of their members. Most of the people involved were themselves injured workers. Of those who were not, some were lawyers and community organizers. They displayed what I would call an awe-inspiring commitment to the cause of one of the most vulnerable groups in our society; namely, injured workers. I am not referring to the people who charge injured workers for their services on a contingency basis, because I am appalled by that practice.

I do not believe we would have accomplished even these modest reforms if it had not been for the indomitable will of injured workers and their associations. Year after year they laboured, demonstrated, lobbied, prepared briefs and, more often than not, received more insults than rewards for their efforts. I trust their long struggle will continue, but with more tangible results. We have just begun the process of reform and I hope the minister understands and agrees with that. It is not possible to open the door to reform and then close it. Once the door to reform is open, it can never be closed.

I should say a word about the concerns of employers. Employer concerns are appropriate, and employers and their associations have a right to be concerned. The cost of compensating injured workers is high and is climbing ever higher. Employers should understand that benefits for workers will continue to escalate. We recently indexed the cost of benefits.

8:10 p.m.

The Workers' Compensation Board assessment of 30 cents on the dollar, which it can be in mining development work, for example, is unacceptable to employers, and to employees as well. A 30 per cent assessment rate, $30 out of every $100 of payroll, reflects an outrageous fact of life in the work place for two reasons: (1) because of the accident rate it represents, and (2) because of the costs to employers. I can think of no better reason that those two reasons to reduce assessments.

This report urges the Workers' Compensation Board to examine the possibility of compulsory inclusion of all employers under the Workers' Compensation Act. We believe this would spread the cost over a much broader base and would be a fair allocation of WCB costs. For example, most of us believe the finance sector, such as the banks and insurance companies, receives the benefits for which other people pay. Does anyone believe that stockbrokers can get an enormous advantage because of the mining development work done at Hemlo? Of course they can, and yet they are not paying their share of WCB assessments.

We believe that when more employers across the province experience the pain of WCB assessments, the pressure on them to reduce their accident rate will build even more. We must all agree that having fewer accidents is the only acceptable way to reduce WCB assessments.

Now I will delve into some specifics. When writing its report, the committee decided to start and work through the way an injured worker encounters problems at the Workers' Compensation Board. That is the reason we began with the recommendation to establish a functional assessment team to resolve claim disputes right at the beginning. It was our hope that much of the appeal process could be avoided if this recommendation were implemented. The functional assessment team would be a multidisciplinary team that would examine the whole person, not simply his or her body.

The committee was concerned that when disputes arose among an injured worker, a doctor and the board's medical personnel, the judgement of the board's personnel invariably carried the day. As well, we were concerned about the quality of adjudication decisions at the primary level. In the board's 1984 annual report, 49.4 per cent of appeals were allowed or partially allowed by appeals to adjudicators. The appeal board then allowed more than 33 per cent of appeals. We think that is too high a percentage of injured workers to be put through the appeals process wringer. We believe the functional assessment team could dramatically reduce the need for that appeal process.

I pay tribute to the member for Humber whose idea this was. He deserves most of the credit for

convincing the committee that there was an opportunity here to head off problems further along the appeal process. He made a very significant contribution to the deliberations of the committee.

The committee wrestled for a long time with the whole question of supplements and rehabilitating injured workers. We felt the board, plain and simply, was not doing the job in this regard, particularly in the way in which supplements were handled. The committee recommended, and I repeat it verbatim: "Rehabilitation or re-employment should be the only reason for termination of supplements." We also felt that four weeks' to six weeks' notice of termination should be given with reasons in writing.

Of special concern to the committee was the older worker. The act has a section–and the minister will recall this because he served on the committee that helped draft this section–that gives the board the discretion to pay older workers the equivalent income they will get after they turn 65 when they go on pension.

The committee deliberately left the age out. We did not want to put an age in there that said 55 because of what would happen to a worker who was 54.5 or 53.75 years of age or whatever. There was agreement that we should leave the age off for that reason. We were concerned that the board might interpret the act too literally. The committee was concerned that the board might interpret that section in such a way as to take the injured worker off a rehabilitation program or off supplements to reduce its own costs. We urge the board not to do that.

Since this report was tabled, I personally have felt compelled to write to the minister and I think I sent a copy to the chairman of the compensation board to get clarification of the policy. I have in my possession something from the board–I think I sent a copy with the letter–that says a worker over 54 is too young to qualify for the program. That is not the spirit of the change in the act, as I recall it. That simply was not the purpose. I reiterate that. We deliberately left that out of the act.

With regard to the appeals process, there is now in place an independent appeals tribunal, the principle of which I agree with. The members of the committee are worried, with reason, and I believe without exception, that the appeal process will become too legalistic, too complex and too slow.

Mr. Haggerty: We are moving in that direction now.

Mr. Laughren: Yes. We believe six months is too long for the process, given the problems of an injured worker. We said it best in the report. It is a short quote, so I would like to read it to members here in the assembly. Members can see I was concerned about the appeals process.

"For example, the matter of adequate representation for injured workers may become a significant problem if the practice develops that injured workers are represented by nonlawyers while employers are able, because of greater financial resources, to hire expert legal assistance.

"Secondly, the pre-trial process will present problems for injured workers' representatives, including among them the assistants of members of the Legislature, who may perhaps have to appear for both the hearing and pre-hearing phases.

"Thirdly, cross-examination at the hearing itself, adversarial by nature, may intimidate a claimant and his or her witnesses, whose language skills and education may not compare well with those of a lawyer hired by the employer."

The members of the committee are concerned about the appeals process becoming too legalistic. We said that to the chairman of the appeals tribunal. We invited Professor Ellis back to the committee to affirm our concerns and to tell him how concerned we were about it. I believe he intends to put in place a very fair appeals system, but our concern is that it is simply too legalistic for the job that needs to be done.

I could not talk about the Workers' Compensation Board and the report we have tabled without talking about board doctors. If there was one common bitterness among groups that appeared before the committee, it was about the board doctors.

They feel there is an inadequate examination of injured workers by board doctors. They feel the doctors are the real adjudicators of the board, not the claims adjudicators. They feel general practitioners are overruled by board doctors, that sometimes the board doctors overrule specialists acting on behalf of the injured workers, and that the same doctor from the board who decides the fate of an appeal will then rule on the state of a claim and at a later date decides on an appeal on the same claim.

For those reasons, the committee is concerned, as were most of the people who appeared before the committee. I might add that the Ombudsman in his 1984-85 annual report directed similar criticism at the board and its doctors.

We believe the medical section of the board needs to be reviewed and revamped.

On rehabilitation, there simply needs to be a better job done. The committee outlined very briefly two things we felt should be corrected. One was more emphasis on English as a second language and, second, more emphasis on high-tech programs so injured workers get back into not simply another job but perhaps even a better one. The board should concentrate more on adapting the work place to the injured worker rather than vice versa.

8:20 p.m.

An important recommendation is that an independent task force be set up, consisting of education, labour and industry, to make recommendations to the board and to the government on how to improve the rehabilitation system. That is of enormous importance.

We also felt the board should look at its assessments and see whether there is a way of changing the assessments so the assessment rate of employers would reflect the extent to which they rehabilitate injured workers.

I cannot think of a more positive incentive than to say to employers, "The more you rehabilitate the people who are injured when they work for you, the lower will be your assessment rate." At least that would be a reflection, because it does not allow companies to disregard workers who are injured and to take them off the payroll a year or two down the road. We do not think that is appropriate.

A word about industrial diseases: This may sound a bit harsh, but there is concern that the board may still be a broken-bone board rather than a board that deals with injured workers. We are not the only ones who are concerned about that. Members who have been around here for a while know who Professor Weiler is. He stated in his report Protecting the Worker From Disability: Challenges for the Eighties:

"What most people would think of as a disease in the true sense of the term–a cardiovascular, cancer or respiratory condition which is seriously disabling or even fatal–amounts to a total of only 200 allowed claims per year, or 0.05 per cent of the claims granted by the board for accidental injuries."

Our report refers specifically to asbestos-related diseases. We want the entire matter of asbestos-related diseases referred to the Industrial Diseases Standards Panel. Members may also know of the Royal Commission on Matters of Health and Safety Arising from the Use of Asbestos in Ontario and what it had to say about the matter. I will quote from that as well:

"That asbestos can be a devastatingly serious health hazard was widely known many years before this commission was appointed in April of 1980. We were hardly needed to confirm this fact.... The asbestos-induced disaster at this plant, Johns-Manville in Scarborough, ranks with the worst that have been recorded in the international epidemiological literature on asbestos."

Our committee recommended that something has to be done there and that the Industrial Diseases Standards Panel should take a look at it. Since the committee was, at least in theory, dealing with the 1984 annual report, as opposed to the general operations at the board, we thought it appropriate to make some specific recommendations about the report and how it could be improved.

This is my own interpretation, and probably not even a majority of the members of the committee feel this way. I feel it should be less of a public relations exercise and that more effort should be put into providing more meaningful information to the people who are concerned about the board. We made very specific recommendations and requests in our report, but I will not repeat them; they are in the report.

There were other recommendations, but I do not want to go through the entire report. I want to refer to a suggestion made by the Ontario Mining Association. I know the Minister of Labour would be disappointed if I did not make reference to it. They said, "Perhaps it is time to consider incorporating the existing compensation system into a comprehensive disability insurance scheme." At least they indicated it was worthy of further study.

Never in my wildest dreams did I think the Ontario Mining Association would so blatantly steal a plank from the New Democratic Party policy platform. I never thought the Ontario Mining Association would stoop to that. For years we have been a voice crying in the wilderness for a universal sickness and accident scheme. Finally, we have the Ontario Mining Association echoing our clarion call. Our clarion call is no longer made in the wilderness. We now have on side with us, cheek by jowl, the Ontario Mining Association.

The next thing we know, the Ontario Mining Association will be calling for public ownership of the mining industry. What is Ontario coming to when the Ontario Mining Association takes this step? I do not want to belittle their suggestion

that we should take a look at that. I welcome their call. It may not be for the same reason I want it, but I do not want to prejudge them or suggest they have other motivations.

We know the present Workers' Compensation Board system is a horse-and-buggy vehicle in a jet age. For example, how is it possible to compartmentalize accidents? If a worker gets hurt on the job and aggravates the injury at home, in that case the worker gets compensated. The other way around, if he gets hurt at home and aggravates it on the job, he has a very difficult time getting compensation from the compensation board. How does that make any sense?

I have always used the example with the committee of a very real person from a northern community called Chapleau. He is a unilingual, French-speaking injured worker who worked in the bush all his life. He has perhaps a 15 per cent back disability and gets 15 per cent compensation. It is total nonsense. For all intents and purposes, that worker is totally disabled.

The other question is, what about industrial diseases? If a worker from Elliot Lake is a heavy smoker and gets lung cancer, he will be compensated, although we do not know what the cause of it was. For a worker in a sintering plant or an asbestos worker, the employer pays because there is enough evidence to indicate that the probability is that was how the cancer occurred.

Let us face it, with industrial diseases, the day has gone when we can say with certainty where the disease originated. Particularly now that we have cast off the cobwebs of 42 years, surely it is time for Ontario to put in place a universal sickness and accident system that will compensate people regardless of where they were injured and regardless of fault.

Let me make clear that employers would still pay their fair share; as a matter of fact, perhaps for the first time. The Ontario Mining Association should not think this is some way of passing off private sector costs to the public sector. There would have to be a decision that the private sector would pay its fair share.

If we think about it, there are three places people get hurt or get diseases: on the job, at home or out there somewhere. We already compensate people through the automobile accident fund. We all pay into it; it is compulsory. We already have a worker's compensation scheme; it is compulsory. All that is missing is the third link, for someone who gets hurt at home or in some kind of recreational activity.

We need to have a pie divided into those three sections. If a worker or somebody got hurt, he would be paid immediately and then the bureaucrats could fight over which piece of the pie it came from: the employers' fund, the motor accident fund or the general fund. It should be paid for either by general taxes or by premiums. It is not complicated. They have that kind of system in New Zealand. That is the long-term solution to the problems of injured workers in Ontario.

8:30 p.m.

In conclusion, I want to thank the members of the committee. Without exception, they worked extremely hard. As I said at the beginning, there was a real effort to come up with a report that was unanimous in its recommendations and was a real consensus. Everybody gave up a little to get a report, because we felt it was important for the government to be able to say, "This is a report with the support of all three parties," and for the compensation board to understand that it reflected the desires of all three parties in the Legislature.

I want to thank as well the clerks of the committee, Doug Arnott and Todd Decker, who were with us during our deliberations. I also want to give a special mention to our research officer, who can write so well. As I said in my remarks when I tabled the report in here, despite the fact that she has legal training, she is able to write with clarity.

The report was a good experience for members of the committee. I offer a friendly warning, though: The natives are getting restless, and if a year from now, when we are debating the 1985 annual report, there have been no changes and no improvements in the kinds of recommendations we have made, then the frustration among members will change to anger.

I was impressed by the way the new members expressed their displeasure at spending so much of their time having to deal with problems that should have been resolved by the board itself. I was very impressed by the input of the new members. I do not think they will tolerate that for very long, and they are absolutely right. There is no reason the constituency offices of so many members should be so preoccupied with Workers' Compensation Board problems.

It is safe to say that we as a committee are hopeful the changes we recommend will be taken seriously and enough of them will be implemented so that a year from now we will be able to feel good about the work we put into this report.

Mr. Polsinelli: I am pleased to rise this evening and participate in this debate on the recommendations of the standing committee on resources development regarding the 1984 annual report of the Workers' Compensation Board.

I want to say at the outset that I am one of those new members who was extremely surprised to find that 50 per cent of my constituency case load was composed of workers' compensation files. It was also very refreshing to participate in one of my first committees in this House, the resources development committee, under the able chairmanship of the member for Nickel Belt (Mr. Laughren).

I found that the members of the committee approached the recommendations in a fair and nonpartisan manner to find the most equitable solution and recommendations to address the problems of injured workers in this province. The members of the standing committee should be congratulated on their comprehensive and extremely useful report.

Its principal focus is on the identification of obstacles to the smoother, more efficient functioning of the present compensation system and on the means by which their impact may be alleviated. The basic objective is one with which the injured workers of this province and all the members of this House can sympathize.

The fact that the recommendations made have been endorsed unanimously by the members of the committee provides some indication of the pervasive nature of the problems addressed and of the degree of interest in attempting to seek appropriate solutions. The recommendations deserve, and will receive, very serious consideration by both the government and the Workers' Compensation Board.

It is probably accurate to say that the vast majority of the recommendations pertain to a revision or an improvement of internal board administrative practices or procedures. Relatively few involve or require an amendment to the act itself. In the latter regard, however, it should be noted that one specific recommendation made by the committee in relation to the benefit entitlements of surviving spouses has already been addressed by this government.

Bill 81, which received royal assent last month, provided for a total increase of 11.9 per cent in survivors' benefits in respect of those claims that predated last spring's enactment of the new dual award scheme for survivors. The purpose and effect of the 11.9 per cent increase is to bring the pensions of those pre-existing survivors up to the average level of entitlement that they would have enjoyed had they been covered by the new scheme. In future, the pension benefits will be linked to movements in the consumer price index in accordance with the general benefit indexation provisions, also contained in Bill 81.

That is but one small indication of the commitment of this government and this minister with respect to improving the workers' compensation system.

The remaining standing committee recommendations, which probably would require a legislative amendment to implement, include those related to extended coverage of the act, the tying of supplements to enrolment in a vocational rehabilitation program, higher fines for safety violators, provision for maintenance of benefits for claimants and so on.

Members will be aware that the Minister of Labour has indicated his intention to pursue further reform of the workers' compensation system. Specific issues currently under review include the rehabilitation and re-employment of injured workers, the determination of compensation levels for permanently disabled workers and the experience rating of assessment premiums, which the member for Nickel Belt has alluded to.

Several of the committee's recommendations–those related to supplements, for example–impinge directly upon this review and should be considered as part of it. It may also be appropriate for other matters involving legislative change to be rolled into the same legislative review process so the act can be amended in an integrated way rather than in a piecemeal fashion.

Many of the remaining issues touched on by the committee conceivably could be dealt with by a change of current procedures rather than by statute. In effect, they are issues that fall within the area of discretion accorded to the Workers' Compensation Board under the act as currently worded.

Very broadly, the bulk of the committee recommendations can be grouped under four major headings: claims, adjudication issues and related questions, including the resolution of medical issues in dispute; the calculation of benefit entitlements; vocational rehabilitation and training, and issues related to financing of the system and assessment rates.

One of the committee's major recommendations in the claims adjudication area involves the establishment of a functional assessment team independent of the Workers' Compensation Board and comprising professionals representing

a range of medical and related skills, including physiotherapists, occupational therapists, kinesiologists and so on, in addition to physicians. This is one item I wish to speak a little more on.

The object of this approach, as I understand it, would be to move beyond the present emphasis on physical impairment alone to include consideration of other factors affecting overall functional disability and to provide a means of resolving differences of opinion between the claimants and the board's doctors on medical matters.

On the face of it, this objective has considerable appeal. Clearly, however, the merits of the recommendation cannot be weighed in isolation. The new panel of medical assessors attached to the Workers' Compensation Appeals Tribunal, in operation since October 1, 1985, was devised in large measure to provide a source of impartial, expert medical advice to help resolve disputes on medical issues. How would the proposed functional assessment team concept fit in with the mandate of this new body?

Similarly, the idea of considering factors other than physical impairment constitutes a potentially important element in many of the proposals for redesigning the current system of clinical impairment pensions to evolve a more direct consideration of loss of earnings. This, as I mentioned earlier, is currently under active review.

While the recommendations related to functional assessment teams provide a convenient illustration of the ways in which some of the committee's proposals may interact with the recent procedural reforms introduced by Bill 101 and with the ongoing legislative review in this area, it is possible that other of the recommendations can and should be addressed expeditiously by the board itself.

I understand, and I have been assured, that each of the committee's recommendations is being examined and evaluated by an internal review team at the board and that the board will be providing to the chairman its detailed response to the committee's report in due course. Without seeking to prejudge the outcome of this process, it may be that progress can be made in addressing at least some of the issues of concern to the committee within a relatively short time frame.

The Ministry of Labour is also in the process of reviewing the committee's report, and once this exercise is completed, I expect ministry and board officials will be meeting to exchange views of implementation of the committee's recommendations.

8:40 p.m.

Mr. Gillies: I am pleased to join this debate on the 1984 report of the Workers' Compensation Board as the Labour critic for our party and not as a member of the committee, either now or as it was constituted then.

Having reviewed the report, having talked with some of our colleagues who were involved and having glanced at the Hansards of some of the meetings, I would agree with what the member for Yorkview (Mr. Polsinelli) has said. It was a very good body of work. A great deal of congratulations are due to the members who were involved, especially to the chairman, our friend the member for Nickel Belt.

As I said, I was not on the committee, but when I hear other members indicate that the chairman did yeoman service working hard and in a nonpartisan sense with all the members, and when I hear it is our friend the member for Nickel Belt, I cannot be very surprised.

Hon. Mr. Kerrio: I do not believe all that.

Mr. Gillies: I caution our friend the chairman, though, when I hear of this unholy alliance developing between the Ontario Mining Association and the New Democratic Party, it strikes at the very credibility and the very core of both organizations.

Mr. Mackenzie: At least we have some to lose.

Mr. Gillies: Our usually cheerful friend the member for Hamilton East (Mr. Mackenzie) threw that one back at me. I will accept it.

This is also the first opportunity I have had, in speaking on matters related to the Workers' Compensation Board, to offer my congratulations to the new chairman of the board, our good friend the Honourable Dr. Robert Elgie, QC, MD, FRCSC.

Mr. Cureatz: QC? Wait a minute.

Mr. Gillies: I do not want to get into that.

Our good friend Dr. Elgie had a few more letters behind his name about a year ago. They are gone, and now the government is taking away a few more. Where does this end? I assume it cannot take away his medical degree.

However, I will tell the Minister of Labour I was truly heartened and encouraged by the government's appointment of Dr. Elgie to the chairmanship of the board. I will give the minister the benefit of the doubt that he had some input in the selection of this gentleman. I see that he is conferring closely with his parliamentary assistant even now on this very matter.

While there may have been a temptation to make an appointment to that position on partisan lines, the minister picked the right guy. He could not find a better man of any political stripe to try to sort out some of the problems at the WCB than Bob Elgie. As critic, I am looking forward very much to working with Dr. Elgie.

I am also very conscious, from past work on committee matters pertaining to the WCB, and from a previous incarnation as parliamentary assistant to the former minister, of the tremendous contribution made by Douglas Cain, both in his advice and counsel to committees examining things pertaining to the board and in his availability to members of the Legislature with our particular problems, concerns and questions about the board. We are well served by Doug Cain.

Mr. Morin-Strom: Is the member for Brantford (Mr. Gillies) going to take Elgie's place as the last of the red Tories?

Mr. Gillies: My friend the member for Sault Ste. Marie asks whether I am the last of the red Tories. By no means. There are legions of red Tories and they breed like rabbits. We are everywhere.

I heard the chairman of the committee, the member for Nickel Belt, speak to the proposition of a more comprehensive plan. While the WCB fills a need for the people who find themselves victims of work-place accidents, he opens up a bigger question.

The whole concept of a more comprehensive and streamlined governmental approach to any number of types of subsidy and compensation is one that has long attracted me. When one looks at the system we have in place now with workers' compensation for the victims of work-place accidents, we have Canada pension plan pensions for other people disabled under certain conditions, we have pensions from the Ministry of Community and Social Services for people in different circumstances, and we have unemployment insurance, the guaranteed income supplement, old age security, the guaranteed annual income system and any number of schemes.

All these mandates are doing good things in varying degrees for the people who need them, but–I can only concur with the chairman of the committee–I have long been attracted to the proposition of governments at all levels moving towards some sort of comprehensive scheme in both simplifying the delivery and the bureaucracy that is required to meet the needs of people.

One of the first people I heard espouse this thought was no less an arch-socialist than the Honourable Robert Stanfield back in 1972. I thought Bob Stanfield was on to something then and I think it is still worth pursuing. A guaranteed annual income or something of that kind might just be the answer. When one throws out that concept, some people throw up their arms in horror at what they see as the potential cost and size of such a program.

When we take all the different bureaucracies and all the people who are required to administer all of these different programs, I am convinced that a lot more of those dollars could be going directly into the wallets and pockets of the people who need them.

Mr. Haggerty: Why does the member not move over to this side?

Mr. Gillies: I used to be over there. I put this whole question in as something that might be–who knows?–a good subject for a select committee of the Ontario Legislature to look at when the committee work schedule is somewhat lighter than it is right now; maybe when the accord has run out and all those committees that were struck by the Liberal and New Democratic parties have done some of their work.

Mr. Laughren: It could be part of the new accord.

Mr. Gillies: It could be part of the new accord between the Progressive Conservative Party and the New Democratic Party. I definitely want to be involved in the drafting of that one.

Members of the committee have expressed their frustration with some of the operations of the board and some of the things we see as being necessary by way of reform. However, looking back as I have at what has happened in the past couple of years, there have been a number of reforms and changes. The pace of change at the Workers' Compensation Board has actually been quite considerable. The first foot came down with Professor Weiler's report and everything that was in that report, good and bad, and that was followed up by quite a program of reform.

We saw the Workers' Compensation Amendment Act of 1984, introduced by our former colleague Russ Ramsay, and all the things that flowed out of that report. When one sees the scope of it and the scope of what will continue under phase 2 of that reform, it is really quite impressive.

As an example, compensation benefits would be based on 90 per cent of the injured workers' pre-accident net earnings as opposed to 75 per cent of gross. I recall some controversy in the committee over that recommendation. The bot-

tom line is that the family person with dependants is going to end up with more in his or her pocket.

I remember some examples brought forward at the time where we thought some individuals in some circumstances would get less but, overall, it was a step in the right direction. Older workers unlikely to find work would be eligible for supplements equal to the level of the old age security pension until the worker actually began to receive old age security benefits–again, a very progressive move and long overdue.

I mentioned in the House once before that my family, when I was growing up, was one of those families which had the shock of my father, the breadwinner, being out of work at an advanced age. In our case it was not because of a work-related accident but because of the closure of a plant. The problems for the family are the same.

Nobody has more difficulty getting out into the employment market and finding a new job than a person who is getting close to retirement age. People in their late 50s and early 60s call our offices all the time. One hears the frustration and the anguish when one talks to those people. In my five years as a member, I have often heard the comment: "I just wish there was more that could be done to help me. I cannot wait until I turn 65. I cannot wait until I turn 65 because then I will be getting some half-decent pensions and I will have enough income to get by."

8:50 p.m.

People in those circumstances are often the forgotten ones. I thought that was a very good move on the part of the Legislature at the time in passing that act.

Survivors' awards consisting of a lump sum and a continuing benefit fixed as a proportion of the pre-accident net earnings of the deceased, again, was a very good move, an excellent initiative on the part of the government. It recognized that, at the time of a death, the special extraordinary costs and expenses which can fall upon a family should be recognized by some lump-sum form of payment, and then the continuing pension would kick in to help provide for those people.

In that legislation there were also improvements to survivors' benefits, especially taking into the account the situation of those dependent children who are left fatherless or motherless by a work-place accident. We have to have tremendous concern that those young people be provided for, and that their opportunities to pursue higher education and everything else that should be available to them, as to every other young person in our society, not be curtailed because of the unfortunate circumstance of the death of the breadwinner of the family.

There were other progressive benefits in that package introduced by our government with respect to the changes made to the structure of the board. The commissioners were replaced by a board of directors, the majority of whom were to be outside part-time members representing employers, workers, professional people and the public. It was a very progressive move, a breath of fresh air and some fresh perspectives now being felt at the very highest levels within the Workers' Compensation Board.

I am sure Dr. Elgie, Mr. Cain and others who are present would not be offended, because I do not intend it personally when I say that any bureaucracy of the size of the WCB can develop quite a coat of moss. Any opportunity for fresh ideas and fresh blood from people who are working in the field, involved in running companies, in the trade union movement, or know the problems at first hand, not from the bureaucratic side but from the marketplace, has to be an excellent reform. I urge the minister to continue in that direction.

The independent tripartite appeals tribunal was an excellent move. The office of the workers' advisers was expanded–our friend the former member for Downsview, Mr. Di Santo, has been appointed to that department–and there is the industrial disease standards panel.

Phase 2 of the reform includes some of the things being looked to, a few of which the minister has acted on, such as reforming the present scheme for determining permanent disability pensions; a review of the current clinical ratings schedule; pension indexation, the bill we passed just before Christmas in this House; adjustment of retirement benefits for persons beyond retirement age, and reinstatement/re-employment rights for rehabilitated injured workers.

I want to talk about that last point for a minute because I recall the minister speaking in Niagara Falls some time ago, indicating he would like to move in this area. On the re-employment rights of injured workers, I urge him to pursue that very much in the same spirit as the initiative taken by the former government to include discrimination against injured or formerly injured workers under the Human Rights Code.

We all see it in our own constituency offices. A person comes in, frustrated. He has applied for new employment, the personnel department at the company has done a check and said, "Whoa,

this person has been on WCB." Let us face it, to some employers that conjures up a range of negative impressions. That person can be at a disadvantage in seeking employment or being re-employed and is being discriminated against because he was unfortunate, or there was negligence on the part of somebody, which led him to be involved in something in which none of us wants to be involved, a work-place accident. How the heck it can be that in 90 per cent of the cases it is the workers' fault and they should undergo discrimination on this basis boggles the mind, but it happens.

Despite these progressive moves, and I again credit the minister for moving on some of them, many things have to be done and have to be looked at. Some were highlighted in this report and I would like to come back to a couple of them.

I throw out to the minister for his consideration the whole question of what one might call the centralization of the rehabilitation mechanism, and these are things the resources development committee might also be able to look at on some future date. We have the hospital in Downsview; I think there should be decentralization of that. One has to wonder why, as I understand it, 25 per cent of the active case load in the Sudbury regional office has to undergo treatment and assessment in Downsview.

It is a long way and it is very inconvenient. To the extent resources allow, I would like to see the board move towards decentralization. I see the minister nodding. We fully appreciate that, in view of the unfunded liability and other problems, we are talking about limited resources. We will come back to that.

With workers already coping with trauma and pain, struggling to deal with the prospect of changing occupations and re-examining their roles in family and community, there is a kind of isolation for someone involved in this. They feel they are up against an impersonal environment, without the benefit of the support of their community. This may be a little esoteric, but I suggest the resources of the board should be stretched in that direction.

The needs of injured workers after an accident are not always just physical. That can lead to any range of counselling and to any kinds of advice and tangible help that can be offered beyond that which deals with physical injuries. As we move into the late 1980s, I hope the board will appreciate there is a whole range of problems that has to be looked at.

Benefits being cut off without notice–

Mr. Martel: It never happens.

Mr. Gillies: It does happen.

Mr. Martel: Oh, no. Mr. Corbeau says it does not happen.

Mr. Gillies: My friend the member for Sudbury East is saying it does not happen. Whenever I have a case like that come into my constituency office again, I will say: "I am sorry; that cannot happen. My friend, Elie Martel, told me it does not happen."

Mr. Martel: It does not happen. Send it to Tony Corbeau; he says he will eat the paper if it happens.

Mr. Gillies: It does happen and it is not right or humane. It is a practice that should stop. Even if someone has broken the rules and his benefits should legitimately be terminated, I believe he deserves the courtesy and the human decency of some notice and explanation of what is happening. That does not always happen.

The act refers to injured workers in the rehabilitation process being helped to find suitable employment, not that they "will" be helped, but that they "may" be helped. I would like to see that area strengthened. It is too delicate an area. It has too direct an impact on people's lives to talk about "may." When someone has been through that system and is trying to get back on his feet and back into some sort of employment, training or rehabilitation program, we cannot afford to deal with maybes. Those people should and must be helped.

There are a few of the recommendations, some of which the chairman of the committee has already made reference to, that I would like to highlight and comment on.

The fifth recommendation in the report is, "The board should ensure the effectiveness of the system by obtaining all relevant information and evidence prior to the initial adjudication of a claim."

This is one aspect, the tip of the iceberg, if you will, to a whole range of bureaucratic problems that seems to surround the board. Anyone who has ever toured the offices at 2 Bloor Street East knows the size of the operation and the magnitude of the problems with which the board is trying to grapple. I think we all understand that and we are all reasonable enough to know it is trying to do its best.

9 p.m.

If one walks through one whole floor at that office, there is aisle after aisle, floor to ceiling, of files. Most are still old-style hanging paper files, which seems a little incongruous in view of

changing technology. I believe the board has to change some of its system so that when the representative of an injured worker approaches the board to access the file and get some meaningful information on the case, he is not kept waiting, some times for weeks.

The worst thing they can do–

Interjection.

Mr. Gillies: There is always room for improvement.

The point is, the worst thing injured workers could do, and they generally do not know it, is to take the problem to two or three different people. They think they are doing themselves a favour when they go to the provincial member to try to get his help with the case, or they go to the federal member, or they go to a worker adviser and then, in some cases, they go to the local unemployment help centre or other labour organization or the union rep to see if they, too, can help with their workers' compensation claim. I have seen it happen on a number of occasions.

If one really wants to throw somebody's file into limbo, if one wants to see it disappear for five weeks, just like that, that is when it happens. It happens when everybody is after the file and it is being shuffled from desk to desk to be photocopied for half the people who have been approached by the injured worker. It is a bureaucratic mess. There has to be a better way, whether it comes through increased computerization or better systems management. The committee's recommendation speaks to part of that problem, but it is only the tip of the iceberg.

The Minister of Labour acknowledged to the committee, when he appeared in October, and it forms part of the eighth recommendation of the committee, "There are few, if any, who would argue with the assertion that no group within the compensation system is more deserving of special attention than surviving spouses." Absolutely; I could not agree more.

I would suggest the minister keep that in mind, especially with the very special concerns and frustrations that are expressed to members from the surviving spouses of the victims of asbestosis. I see again that there is a specific reference and recommendation in the committee report on that subject.

I hope the minister will look expeditiously and favourably at that recommendation. There are some very tragic cases there. The overall number of cases, compared to the system as a whole, is not that great. I would urge the minister to err on the side of compassion and generosity with regard to their problems. In a minute, I will read that recommendation into the record.

Again, as I said earlier, the board should make every reasonable effort to find a job for injured workers, especially older workers. I subscribe to that. In fact, I would suggest the wording should be somewhat stiffer. The board must make every effort to try to find employment. The board must, where appropriate, get these people into rehabilitation and training programs. They absolutely have to.

As the member for Nickel Belt said when he spoke, the whole rehab system is probably the area of greatest concern and greatest criticism of the board. I have people come into my constituency office who have trouble getting hold of their rehab counsellor. They go into a program, they find it is not right for them, they get out and then they are told, "No, you cannot get into something else"; or they cannot get into the program they want to get into because it is oversubscribed, or they are told, "No, you cannot get that kind of rehabilitation because you have already been through another type of course and we just do not have the resources to put you through another one."

This area has to be beefed up enormously. These people have to be given help, because the consequences to them and to their families and to society as a whole are just too great if they are not given help and if they are left out in the cold. We have all had these cases.

The oldest ongoing case I have had come into my office since I was elected, out of some 1,200 or 1,300 by now, is a man who came in staggering under the weight of a file he had and one of the claims he was still arguing and fighting dated back to 1948. I was really worried about this man. It was a back injury and I thought, with the size of the darned file, he might throw his back out again just carrying it around.

This man, for some years longer than I have lived on this earth, was absolutely convinced that his case was not being dealt with justly, that he had not been given adequate rehabilitation and other help. I see a couple of members nodding and smiling. We have all had examples of the frustrations that can grow with some of the older cases that centre around the rehabilitation process.

The 21st recommendation in the report I find particularly interesting: "An independent task force comprised of representatives from labour, industry and education should be established to make recommendations to the government and

the board regarding improvements in the rehabilitation system." Amen.

It is the same sort of move we made with the corporate board and the same sort of move we made with the creation of the worker adviser group bringing in outside advice and bringing in fresh perspectives to try to do something good with that area of the board that seems to be the one that attracts the most criticism.

The 22nd recommendation: "The rehabilitation branch should do at least one year of follow-up on a worker who secures employment." Absolutely. Too often a worker is placed and after a brief time is forgotten. When somebody acting on behalf of the injured worker contacts a board official, too often the official is surprised to learn that Mr. X is having a problem. The board officials do not know—and they are not being cute; they honestly do not know the problems exist.

The poor rehab counsellor on the end of the phone says: "I would have tried to help Mr. X, but I did not know there was a problem. He has not called me in three months." I ask, "Did you do any follow-up?" He says: "Listen, Mr. Gillies, I have too many cases. I have too much work to do. I cannot find the time to follow up as I should on all the cases."

The resources have to be there so the proper and adequate follow-up can be done. We know that the investment of dollars, time and human effort that is put into getting the training or regaining employment endures and that the long-term benefit we want from that process comes about.

The 28th recommendation: "The new corporate board should conduct a study to determine whether the present size of the unfunded liability constitutes a problem, how severe that problem is and what steps should be taken to remedy it. The corporate board's conclusion should be included in the next annual report."

If I had been on the committee, I would have suggested a slightly different wording for that recommendation. There is no question in my mind at all that the unfunded liability is a problem, but we do not need the corporate board to do a study and tell us it is a problem. We need the corporate board to suggest to us what should be done about it. The rest of that recommendation is fine.

We can all recognize that the unfunded liability rose from $2 billion to $2.7 billion over the course of 1984, an increase of 34 per cent in one year. Any member of this House looking at those numbers and looking at that circumstance would say it was a problem.

Mr. Haggerty: The frustration is at the top but it passes on down.

Mr. Gillies: I can tell the member the frustration is right through the system, There is concern on every side. There are no black hats or white hats in this as far as I am concerned. A small businessman who has just been hit with a 30 per cent or a 40 per cent increase in his assessment rate is upset legitimately and with just cause.

Mr. Martel: Reduce the accidents.

Mr. Gillies: Amen. The injured workers themselves are concerned when they see the figures about whether there is going to be any darned money left in the system years down the road when they need it. That is a big concern.

It is not a case of good guys and bad guys. This affects everybody, particularly when we take into account that most employers under schedules 1 and 2 are not on an experience rating system. Concern is expressed by the little employer who calls up and says his assessment has gone up 30 per cent or 40 per cent, or whatever it is, but he has not had an accident all year in his place of business or he did not have any more accidents in his place of business than he had the year before.

Because it is not being done on an experience rating system, that particular classification goes up and so do the rates. There has to be—

Mr. Martel: If they did not have the accidents, my friend, it would not go up.

9:10 p.m.

Mr. Gillies: I am sure my friend the member for Sudbury East shares my concern that this system should be well funded so everybody who needs it down the road is going to have it available to them. He would like to say it is all the employers' fault. I am just saying, let us put fault aside for a second and talk about what we are going to do about the problem. That is the big problem.

Mr. Martel: We will reduce it when we reduce the number of accidents.

The Acting Speaker (Mr. Morin): Address your remarks to me.

Mr. Gillies: Thank you, Mr. Speaker. I will address my remarks through you and the member for Sudbury East can read them later.

Mr. Martel: It would not be worthwhile reading.

Mr. Gillies: He cannot hear over his own voice right now, so he will have to read it later. The member for Sudbury East has been here for years and he still has not learned that he cannot hear when he has his mouth open all the time. However, some day he will learn.

Mr. Martel: The member wants it on both sides of the fence. If he ever slips, he will rupture himself because he cannot be on both sides of the fence at the same time.

Mr. Gillies: I will drop it. One never gets anywhere having an argument with the member for Sudbury East, because to have a good argument there has to be reason on both sides.

Recommendation 30 in the report says, "Employers should be educated to understand that the Human Rights Code prohibits discrimination against a worker to whom compensation benefits or pensions were or are presently paid."

I made reference to that earlier. It is now the law. It is grounds for investigation of a case of discrimination under the Human Rights Code. If that has not been properly disseminated to employers, then it has to be.

Recommendations 33 and 36 make specific reference to the survivors of asbestosis cases. This is something the minister should move on or ask the board to move on expeditiously. Recommendation 33 says:

"A thorough, independently conducted medical examination of all workers working with asbestos and of all workers who have worked with it, whether or not they have a claim, should be done annually. The results of these examinations should be made available to the worker. Programs should also be undertaken which will protect members of asbestos workers' families."

The survivors of deceased asbestos workers are spoken to in recommendation 36.

There is enough evidence and enough concern about the whole asbestos situation that, as I indicated to the minister earlier, we should err on the side of generosity and not on the side of caution in these cases. I know that the representatives of those workers would be very pleased to see that reform brought in.

To conclude, the resources development committee did some excellent work. I believe the House is well served by this report. I again congratulate the chairman and all the members of the committee for what they have accomplished here, and I hope that by the time we next debate matters concerning the Workers' Compensation Board we will be talking in the past tense about some of the problems and speaking in the present tense about some of the reforms that are spoken to in these recommendations.

Mr. Mackenzie: I intend to be very brief. There are a number of things I may touch on despite the brevity, matters that my colleague the member for Nickel Belt has mentioned.

I do not intend to go into the details of the report of the standing committee on resources development. However, regarding the individual recommendations I would say that one of the things that has made one feel just a little bit better about the whole question of workers' compensation in the last few months is the openness, the fact that for the first time ever, I believe, the committee had a debate and issued a report on the report of the Workers' Compensation Board. I cannot recall that happening before in the 10 years I have been in the House. There are 40 recommendations that I have no difficulty in endorsing.

The thing I want to reflect on for just a moment is the very point that we seem to be addressing. I am going to wind up by directly raising the concern I still have with the Minister of Labour; however, for the first time, we seem to be taking a serious look at what we can do to resolve some of the problems we have had for a long time.

When I think of the fight on behalf of injured workers that has gone on since long before I entered this House, it certainly has been a central feature of almost every session since I was elected in 1975. I think of the difficulties we have had and I remember my frustration at being told during a series of Labour estimates and previous debates we had that we were being a little unfair because 85 per cent of the claims were handled expeditiously and without too much trouble.

The cases, in the hundreds, were still coming into our constituency offices, into advocacy offices around the province, into legal aid clinics and community centres. Whether or not they only represented 15 per cent of the cases, they were the ones that involved back injuries, head injuries, problems with the lungs, toxic substance problems, and increasingly in the last few years hearing problems. I certainly detect in the plants in Hamilton and in my constituency a growing concern over the question of hearing loss and problems with hearing.

These cases were a different story. It was frustrating to have it put to us that the Workers' Compensation Board was resolving 85 per cent of the claims so we should not be raising as much of a fuss as we were raising.

When I think of the tremendous amount of work that was put into trying to achieve some

redress for injured workers in Ontario, I wonder how it could have been so difficult to see the light before this.

Stop for a minute. It was not just the work being done by the board and the staff of the board. The board had, as advocates, almost every member in this House. Over my 10 years here I have heard a few say they did not involve themselves in Workers' Compensation Board cases, but not many. I have known members in this House who have had an active list of as many as 100 cases at any one time for years.

I know it is a point that has been made by the member for Sudbury East, who has been one of those who, at the level of being a member of this House, fought long and hard with respect to problems with the board. However, the board did not just have the members and their staff. Early on, I realized there just was not the time to handle all of these cases. I got lucky because I had a very good staff person in my office, Valerie Taylor by name, who I would match with any member in the House with respect to knowing how the board operated. When we had a case she knew what we could or could not do. It became a major part of her job. That was the case with many other members.

However, we also had the unions. If we ever tried to do an assessment of the amounts of money put in and staff that were working, in many cases full time, to try to deal with workers' problems in Ontario, it would be a tremendous bill. That really was a subsidy that should not have had to be there for the Workers' Compensation Board, and in effect for the government of Ontario.

I know of the work that is done at the McQuesten Centre and some of the legal aid clinics in my community. I know this applies across Ontario. I know the work that was done by some of the advocacy groups. I know of the variety of injured workers' groups over the years and the efforts they put into it.

As I mentioned briefly, among some members in my own caucus, and there may be others in this House, I personally give a heck of a lot of credit to three or four members in particular. I think of the member for Sudbury East and the member for Nickel Belt when I think of the Workers' Compensation Board arguments in this House and our efforts to improve things.

I think of the member for Dovercourt (Mr. Lupusella), not only in the years he has been in this House but also for the many years he has worked for injured workers.

9:20 p.m.

When I think of the work they have done for injured workers across Ontario, in trying to raise the issues in this House and get what we are finally having here, a report actually issued by the committee and a debate on it in this House, I think we owe a large measure of thanks to a great many people.

I said I was going to bring it to a close. I am sorry the member for Dovercourt is not in the House at the moment. My concern with the recommendations of this committee and with the government, with all the good intentions and all the moves that have been made–and there have been some improvements made in the area of workers' compensation in Ontario–is where we will be at this time next year with respect to the 40 recommendations in this committee report.

While we have made some changes and some improvements, we have a long way to go. There are few groups in our society that are more deserving of and more in need of some assistance than are injured workers in Ontario.

There are still a couple of holes in the operation. I want to read into the record a very simple letter, the author of which some people in this assembly will recognize. I have heard some people call him a bit of a pain in the neck, but I do not know of anybody who has worked harder with respect to the asbestos problems than Ed Cauchi. He sent me a letter just this week and he makes the following comments that are apropos:

"Dear Bob:

"I have just received your news release of December 9, 1985, with regard to the changes to the Workers' Compensation Board. As you are well aware, the changes do not mean anything to the disabled workers and widows who are not receiving any benefits.

"I have already written to the Minister of Labour in this regard and I have asked for a meeting with him and the chairman of the board of the WCB. We hope that he will meet with us and try to resolve the problems we have encountered during the last 20 years."

That is a time frame that is accurate; it is probably even longer than 20 years.

"Enclosed you will find some newspaper clippings that were sent to me by the Asbestos Victims of America. They might be of some help to you in obtaining some information with regard to pensions for Canadian workers.

"Also, you will find an article with regard to Dr. Stewart, the so-called chest disease specialist to the WCB, who is the main obstacle in our cause to obtain compensation.

"If you ever need any more information, you can call on me at any time.

"Yours truly, Ed Cauchi."

If I were spending a lot more time on it this evening, I would read some of the articles because they are very interesting. This is one of the areas where we have still not seen justice done. We can look at the number of workers at Manville Canada and the difficulties and problems we have had and are still having in establishing those cases clearly.

I want some assurance from the minister. Provided that we are able to stand up and debate the report of the WCB next year and that the committee does issue a report on the board's activities, I want to know what we are going to see in terms of the 40 recommendations in this report. To me, that will be the real acid test as to whether the moves we have made are real, sincere and just the start. Anything we have done so far is simply just the start.

I will be the first one to say hallelujah and congratulate the members across the way if in a year's time we see the recommendations that are in this report either in legislation or in the process of being put in legislation. I do not mean just two or three of them, but a large number, because there is not one of the 40 that does not make sense and would not assist the problem of injured workers in Ontario.

I am saying thanks for what we have. I am glad to see the openness in this kind of debate on a report, and I am glad to see a report written. Over the next year, I want to see how much we are going to do to resolve the problems we have had for so damned many years with respect to injured workers in Ontario.

Mr. Henderson: I am pleased to have this opportunity to comment on the report of the standing committee on resources development on the 1984 annual report of the Workers' Compensation Board.

At the outset, I want to say how much I enjoyed the rather modest participation I had in the work of this committee. I found it quite an invigorating and productive experience. I want to add to what others have said by way of commending the work of the regular members of the committee and that of the committee chairman, the member for Nickel Belt.

I do not think I can say it any more eloquently than did a gentleman called Steve Mantis of the Thunder Bay and District Injured Workers Association, who wrote in a letter on December 12:

"I wish to take this opportunity to thank you for letting us see a copy of the 1984 annual report of the Workers' Compensation Board. I became quite excited upon reading your report, and I would like to congratulate you on a job well done. It is good to see such a positive and creative approach to the issue of workers' compensation. With actions such as these, we can hope to create a system that deals fairly with Ontario's injured workers."

Mr. Mantis went on to say:

"We also strongly support your recommendations on rehabilitation. Rehabilitation should begin as soon as an injury is recognized as being long term. Those first couple of years when a person is receiving total temporary benefits could be spent on helping those individuals adjust to the major changes forced upon them because of their injury."

Mr. Mantis also says:

"Once again, I must say how well done your report is. Good job! What is the next step? How are these recommendations to be dealt with? Is there anything our group"–the Thunder Bay and District Injured Workers Association–"can do to help these recommendations become policy? Please let me know! Yours sincerely."

We know the next step is this discussion, and I am pleased to play a small part in continuing it. I will not attempt to be comprehensive in these remarks but will simply comment on some aspects of the report that interest me as a legislator and as a concerned citizen who happens to be a physician by training on the one hand and a believer in liberty and opportunity for working men and women on the other hand.

It seems to me that working men and women have been the backbone and in many ways the unsung heroes of civilized society for many hundreds or even thousands of years. Rarely is their contribution fully recognized. Only comparatively recently have the needs, rights, and sometimes even the humanity, of workers gained the empathic recognition of society and of the state that they deserve.

Not so many years ago, workers commonly laboured in overheated and underheated, badly ventilated, overcrowded, dirty and otherwise inhuman conditions, sometimes for horrendous work weeks. In recent years, thanks to the energy and emancipation of working people and their leaders, and thanks perhaps to a more enlightened and egalitarian attitude in society, there have been major improvements.

In the 1980s, many working people in Canada can boast a comfortable lifestyle, reasonable

working conditions and a satisfactory package of benefits protection. Many working men and women have achieved or are approaching honourable working and living conditions and the prospect of a comfortable and creative life. However, that happy state of affairs is far from universal. It seems to me that in many ways the problems of working people are sometimes subtle and in many instances attitudinal.

I remember well a summer some years ago when, as a young physician, I was working in a provincial hospital in northern Ontario. I took a week of holidays to make an eight-day canoe trip nearby. I was enjoying my time at that hospital. I had made a number of good friends, and I believe I had a friendly relationship with most of the hospital personnel.

Mr. Laughren: Nurses too.

9:30 p.m.

Mr. Henderson: Nurses too.

However, on the way back from my canoe trip, I had to pass through the hospital to get to the interns' quarters where I was living. I was dressed in camp gear and looked like a worker: khaki shirt, khaki trousers and trip boots. I was well groomed, but I had a week's growth of beard on my face. Even the nurses did not recognize me. Quite fortuitously, these circumstances changed my appearance enough in the hospital that I was not recognized by the staff I worked with, my friends and a few patients I encountered.

The experience of walking through a hospital where I was known and reasonably liked, but with the appearance of being a hospital worker, perhaps a janitor, groundskeeper or something, was a very sobering and very revealing experience for me. Practically nobody recognized me unless I greeted them. The stereotype that was imposed by my appearance was so strong that it was impossible for me even to make eye contact with the people I knew unless I greeted them first. As I walked down the hall nodding towards my friends and acquaintances, I was not even attended to enough to have the nod noticed, let alone did the person I met glance behind the façade and recognize me.

I consider that episode to have been a very fortunate accident in my professional development. I know if I had been a worker inquiring after some service or looking to receive some kind of assistance, the stereotype I had happened to stumble into would have very dramatically coloured the way I would have been treated and the satisfaction I might have received.

It is that kind of attitudinal and subtle discrimination that workers must experience in the 1980s, and I believe that should concern us. We must be mindful of that subtle attitudinal disadvantage towards workers as we discuss and review the recommendations of this committee on the annual report of the Workers' Compensation Board.

In passing, I want to pay tribute to the leadership provided by the past chairman of the board, now the Lieutenant Governor, Lincoln Alexander. I know he inspired the loyalty of board staff and secured the affection of many working men and women throughout the province. Chairman Alexander himself pays tribute to board employees in his report, and his dynamic, sensitive leadership inspired the board's continuing commitment to provide injured workers and employers with the best possible compensation system.

I also note that the WCB is in very good hands indeed under the leadership of its new chairman, my physician colleague and former mentor–medical mentor, not political mentor–Dr. Bob Elgie. Dr. Elgie was the chief resident of neurosurgery at the Toronto General Hospital when I was a junior intern there. He gained the affection of all the intern staff, who admired his technical skill as a neurosurgeon and especially appreciated that he was one of the few high-profile people around that institution who seemed to take a real interest in the junior staff and to reflect that interest in humanity that he brought to his way of relating to less senior people. The board is very fortunate to have so able and so sensitive a leader.

I want to make some comments on matters arising out of the board's report and the report of the committee that has examined it. As a physician, I have sometimes performed assessments of workers in matters of claims adjudication; I have always found that to be a very vexing task. I am trained to listen with a third ear to accounts of suffering, to perform appropriate examinations and to offer diagnoses and recommendations for treatment aimed at helping an individual return to good health.

The whole matter of causation, or what doctors call aetiology, is of interest to physicians, but it is of interest as a means of establishing a diagnosis and recommending a treatment. Ordinary practising physicians are not especially expert, nor are they trained or for the most part experienced, in trying to evaluate how a particular set of signs and symptoms are related to a particular set of circumstances in the work

place or to a particular event or series of events that may have occurred in the work place and are at issue with respect to whether they caused a patient's symptoms.

The question of whether a back disability was caused by injury or ongoing degenerative disease would be bypassed by a clinical physician, who would simply say it arose from a combination of both. He has no interest in going beyond that as a rule, nor would he treat the question as having very much real legitimacy.

I have always felt that turning to a practising physician was not the best approach to making that kind of judgement. It is true that I could never think of any other single better person to do it, but as a clinician, I was always left with a strong sense of impotence on such matters and somehow a strong sense of the inappropriateness of my being called upon to make these rather pregnant or, perhaps I should say seminal judgements. I therefore believe the concept of the functional assessment team proposed by the committee is well worthy of consideration.

The so-called functional assessment team would comprise a number of professionals, not employed by the Workers' Compensation Board, including such professionals as physicians, physiotherapists, occupational therapists and others who would know of the medical factors involved in a particular worker's situation but not be limited by too narrow a focus on diagnosis and treatment and be able to see a larger cross-section of the functional level of a claimant, obtain a truer and more realistic assessment of his or her limitation in a more lifelike situation and embrace the kinds of questions called upon to be adjudicated following an injured worker's claim.

The teams may also be able to familiarize themselves with what might loosely be called the politics, or if one prefers the group dynamics of the assessment situation broadly viewed.

Because these functional assessment teams might be costly to initiate, or at any rate because the cost might be difficult to determine in advance, the functional assessment team might not be called upon unless there is conflict of medical opinion between the claimant's physician and some physician paid by the board. When such a conflict exists and the claim is denied, the claimant can take the matter to the functional assessment team for some kind of review or opinion. Similarly, if a claimant objects to the termination of benefits, he may take the matter to the functional assessment team.

In my view, these teams have the advantage of being perhaps the best possible solution, or at any rate the least unsatisfactory approach, to the problem of bias. The claimant's physician and the board's physician both feel certain they are making unbiased assessments. To me, that is simply an impossibility; yet it is asserted and reasserted by physicians on both sides of clearly somewhat adversarial situations.

Practising physicians are not used to adversarial processes. So much are they are not used to them that they frequently fail to recognize they are involved in a somewhat adversarial process and are quite naturally in large measure–unconsciously, I am sure–influenced by it. This is just axiomatic and hardly needs to be stated; yet it is far from generally accepted by my medical colleagues.

After one of the meetings of the committee when I had raised this matter, I was drawn aside by a rather senior board physician to be reassured by him that objectivity was certain amongst all board physicians and that bias was unthinkable. I cannot believe that for a moment. I do not doubt his integrity or his belief that what he was saying was so, and I do not even say it in criticism of board physicians.

In my view, it is simply a fact of life that a physician unconsciously identifies with the organization with which he is most closely affiliated. I have done it myself, and I have worked in a wide variety of settings in both specialist and generalist practice. I cannot think of any occasion when I have known a physician involved in a somewhat adversarial process who did not do it at least a little.

9:40 p.m.

However, I have known clinicians in adversarial situations, who were not accountable to any particular body, government or individual, and who were doing a particular kind of work again and again, to develop at least a fair degree of balance in their approach to matters that come before them on a regular basis.

I am thinking, for example, of mental health teams who habitually assess mothers, fathers and children in cases of marriage breakdown and custody disputes. Even those teams, which do this work day after day and incorporate every possible check and balance against bias into their assessments and reports, cannot escape some degree of bias deriving from old accountabilities and personal prejudice.

I believe the functional assessment teams, as I have understood them, may be the best possible solution to the problem of physician bias. As well, I believe that a number of different professionals, all coming to have a snapshot view

of a claimant and his problems, and all individuals clinically trained and clinically experienced, means we have the best possible opportunity of fair assessment of the nature, degree and cause of a disability. I think the teams are a good idea.

I want to say a word about the termination of benefits. Termination of benefits has been a difficult matter. Apparently benefits have been terminated in some instances and the claimant notified that he will be reinstated if a decision about the legitimacy of the claim is finally made in the claimant's favour. As all of us can appreciate that is likely to be a lengthy process and the claimant is left high and dry in the meantime. When benefits are already being paid, it seems to me a reasonable enough proposal to consider continuing to pay them pending a decision about termination by the functional assessment team. It might also spur the process to move a little more quickly.

This notion of functional assessment teams can also be applied in the matter of permanent pensions. Surely a functional assessment team that can get to know an individual claimant and his special problem in some detail and depth over a longer period of time is far superior to the kind of instant snapshot that is obtained in the course of a brief, or sometimes not so brief, examination in a doctor's consulting room. Many experienced doctors will admit that to see an individual in a work situation or even in an ordinary day-to-day living situation can give a very different impression from a clinical examination on the examining table of a consulting room.

This latter approach, the consulting room examination, may be the best thing to do when surgery is contemplated or when a diagnosis is in dispute, but to see someone in a work situation and in daily living can be an indispensible part of the assessment, because of the complexity of the secondary gain and the functional overlay that so often play a part in a claimant's situation in work-related disability or illness. It seems to me that is another potential advantage of the team.

I think we had a fair degree of agreement in the committee in our reservations about the so-called meat chart approach to disability ratings. I do not like that approach. Maybe it can be argued that it has the advantage of being fair and unbiased, but a procedure that is unbiased and yet is totally irrelevant to the presenting problem is not a very satisfactory procedure. In my opinion, the so-called meat chart is an approach that has outlived its usefulness, if it ever had any, and the sooner we find a fairer and more person-centred approach the better.

As someone cogently argued, to lose a finger may cause no or little work disability if one happens to earn one's living as an English teacher, psychiatric nurse or something such as that, but if one happens to be a concert pianist or even a typist, the matter takes on very different proportions. One simply cannot evaluate the nature of an occupational disability knowing only in a circumscribed, focused way the organ or part of the body that is disabled. That is is not enough.

To try to attach a particular rating to loss or injury to a particular part of the body without consideration of the whole person and without consideration of the nature of his work and other living circumstances does not make any sense.

I also concur that there is a need for further attention to the matter of surviving spouses. The Minister of Labour has recently underlined his concern for the needs of surviving spouses. I concur with his view, or what I judge to be his view, that the needs of surviving spouses are worthy of more attention and review.

I want to return for a moment to the matter of physicians. It seems to me that this sadly maligned and mismaligned profession has attracted unfair criticism for its attempt to serve in matters pertaining to the Workers' Compensation Board.

Mr. Cureatz: Mr. Speaker, on a point of order: Just before the honourable member continues his point regarding physicians, I listened with great interest to his comments regarding spouses and, much to my regret, I was deeply involved with some of my working files from my office–

The Deputy Speaker: What is the point of order?

Mr. Cureatz: I wonder whether we might have the unanimous consent of all members of the chamber for the member to repeat the last half hour of his speech.

The Deputy Speaker: That is not an appropriate point of order.

Mr. Henderson: Where was I? I do not know where he was coming from on that, let alone whether it was a point of order.

I know I seemed critical of physicians in some of my earlier remarks. However, it is not the physicians I criticize but rather the system that places them in the position of performing a quasi-judicial and sometimes even godlike task for which they are not entirely trained and which is, by the very nature of the task, certain to evoke criticism that I do not think is entirely deserved.

When a man or a woman is trained to diagnose and treat an injury, we ask that individual to tell us whether the injury came about from illness, injury, trauma or long-term psychological factors and he or she either errs or has a little difficulty being precise. That hardly impugns the physician's professionalism, in my view. He or she has been asked a question that, although it may be related to his or her field of professional expertise and practice, is a little divergent from his accustomed work and usual way of conceptualizing the things that come before him.

Some valid points of practice have been made in this report. Of course, doctors should not make diagnoses without careful examinations of their patients. That is a general principle of good medical practice and it applies to Workers' Compensation Board physicians the same as to anyone else.

General practitioners should not be allowed to overrule specialists. I would add that specialists should not be allowed to overrule general practitioners, either. There are times when the general practitioner is in a better position to offer an opinion than is the specialist.

What is required is some satisfactory way of resolving situations arising from the difference of opinion among physicians, regardless of whether the physician happens to be a GP or a specialist. Perhaps the functional assessment team that we were speaking of would be a reasonable approach.

I would add that physicians involved in WCB work should be doing this on a regular basis to become familiar with the kinds of questions and issues dealt with and, frankly, with the various social and other pressures that bear on their decisions. I agree also, incidentally, that the physician who addresses a matter of appeal should not be the one who made the original assessment.

Essentially, those are my remarks. I have spoken at somewhat greater length about the social, attitudinal and medical aspects of the Workers' Compensation Board because those are the very areas that attracted my greatest interest. I have spent very little time talking about the rights and needs of employers, but I do not neglect that matter because of any lack of appreciation of its importance. I am sure others will address or have addressed that subject and can perhaps do so more expertly than I.

I believe that much of what I have been talking about would, on reflection, fall under the general heading of subtle attitudinal and perhaps ideological problems that attach to being a working man or woman. I hope that, on reflection, my preamble will have seemed a suitable introduction to some of the points I have made.

9:50 p.m.

Mr. Stevenson: I, too, am pleased to join in the debate on the annual report of the Workers' Compensation Board. This is the first time I have had an opportunity to be on a committee that had any discussion or review of the WCB to any degree, except for some discussion during estimates in the standing committee on resources development. I found it a learning experience. I have a better understanding of some aspects of the board and a sense of the frustrations that members of this House, injured workers, and employers for that matter, have in dealing with some aspects of the board.

I want to congratulate Dr. Bob Elgie for being appointed to his position with the board. Everyone recognizes his ability and the breadth of his experience. I believe, as many others have stated, that he will do an excellent job there. He and the people associated with him in the administration of the board are facing, and will continue to face, some very great challenges in their positions because I believe the Workers' Compensation Board is going to have to undergo some significant changes in the near future. I am sure it will test their administrative skills and their intestinal fortitude to have the strength to make the decisions and to have the priorities and information in place to make the decisions they are being faced with and will continue to be faced with.

Bob Elgie has some very close connections with my great riding of Durham York and has been associated with that part of the country near Lake Simcoe for most of his life, maybe all of his life. He is well known by many people in that part of the country. At one point, he worked during the summers as a milk delivery person in that area. As a result, he is very well known by many of the families who have been in that area for some time.

The riding of Durham York does not have the same highly labour intensive companies that many other ridings have, particularly in more urban areas. Relatively few companies in my riding would employ more than 100 people. Most of them are owner-manager companies with relatively few employees.

Many of the farms have an owner, or a couple who own a farm, with possibly one hired employee. I deal, as does every other member, with injured workers, some of whom have had lengthy frustrations in dealing with the Workers'

Compensation Board, but in a riding with that sort of makeup I also get a number of complaints from employers. Due to the nature of my riding, I suspect the frustrations I hear about on the employee's side and the employer's side are much closer to each other in numbers than one would tend to find in many urban settings.

In my first elected year, in 1981, I took the opportunity to visit the WCB office. As I recall, we were invited to visit after the 1981 election. As the member for Brantford stated previously, I was absolutely amazed and almost in awe of the complexities of that office. The tremendous number of files that people have to work with and the number of people working there creates both an administrative struggle and an organizational struggle.

I was impressed with the complexity and the work load the people face, but I came away wondering whether the organization and the setup of that office would be the same if it were run by a private sector organization. I was surprised by the number of people, although I suspect now with greater computerization the number of staff per client load has decreased some since that time.

I also suspect there have been some administrative changes, but I left there with the impression that the overhead cost of running that setup must be relatively high. I am sure that is something the current administration will be looking at–at least I hope it will be looking at it–to try to deal with the costs of running the operation.

The frustration of the workers, and to some degree of the employers, has already been covered, but one of my major concerns is with the funding and the unfunded liability of the Workers' Compensation Board. There is not a member in this House who does not want to see injured workers get fair treatment and a fair pension or settlement as a result of an accident. Everyone wants these people to live in dignity and to be able to carry on a life similar to the one they were leading prior to the accident.

They want them to carry on that life free of some of the frustrations many of them have experienced. Those frustrations must seriously affect the family life of many of the workers, and the social ramifications of underfunding related to unfair treatment of injured workers must be quite significant. As a society, as employers, we must do all we possibly can to see that these people are treated in a fair and dignified way.

Having said that, we have to look at where the money comes from and how it is handled. I have not done any extensive study of the development of the WCB, what its initial intentions were and how it hoped to carry on its duties through the many years it has functioned. I wonder, however, when the structure of the board was set up, together with its aims and objectives, whether it ever anticipated the problems of rapid inflation and the highly mechanized industrial society that have developed. The costs of running this type of operation, this type of board, have increased very rapidly in recent years. It has become quite a significant burden to the businesses of Ontario; not just small businesses but all businesses.

10 p.m.

No employer I talked to wants to see the board dismantled. In general, employers are pleased with the intent of the board and with the things it tries to do. However, I believe that now and into the future we are going to have to take a very serious look at the funding of the board to see whether we can expect our industry to carry the full load of the Workers' Compensation Board. I suspect that people have looked at getting partial funding through government or some other source. However, if they have not, then it is certainly time a very serious look was taken at the whole aspect of funding the Workers' Compensation Board.

In our own small family farm operation, I believe our assessment this year was something like $1,700. That is not a small chunk of money any more in operating a family farm at a time when commodity prices are as low as they have been for many years and when the revenues on the operation and most other farms in this province, are going down rather than up. Input costs are increasing steadily; our margins are decreasing. The economic situation on these farms is well known to anyone who is even reasonably close to agriculture, yet assessments for workers' compensation are rising in a fairly steady manner.

I was also checking with a few employers around the riding. I checked with one relatively small company; it is owned by two families. I am not sure how many employees it has, but it certainly is not a large company. It is a steel contracting company, so it is in an area where injuries are quite prevalent. I believe I am correct in stating that its assessment is slightly more than eight per cent of its labour costs. That is a very significant number. When one goes out to seek contracts in the construction industry and has to build that sort of cost into a contract or the cost of doing business, it is a very significant cost.

These people do not complain about their injured employees getting a fair pension for their injuries. However, I come back to the question of how much of a burden we can expect the companies to bear in a time of intense competition. This company happens to be involved in some international construction; it is competing against companies primarily from the United States but also some from Europe on occasion. This is a very significant cost that it must build in when it is bidding on these jobs.

We want our companies to flourish. We want them to employ people. As long as there is work, there are going to be injuries. I agree wholeheartedly with the members who have said during the debate tonight that we must get the number of injuries down. In some types of work it is going to be much easier to reduce injuries. In a relatively controlled environment it is fairly easy to put on improved shielding, to build in some sort of hand restraints and to teach people to do certain types of jobs in a safe way.

In industries such as farming and some areas of construction, however, people must move around in a fairly large area at times and must deal with machinery. No matter how we try to shield them, there are going to be open working parts. In times of some stress, possibly when workers are a bit tired or in a hurry to do a job, there will always be some lack of care, some movements that occur more quickly than the person can think. Invariably, accidents are going to occur.

Mr. McGuigan: Four o'clock in the afternoon is a very bad time.

Mr. Stevenson: That is correct. A number of the studies, particularly in the agricultural industry, indicate some of the problems. The honourable member is aware of those, as I am aware of some of them.

If the workers are going to be treated fairly, the revenue has to be there in the companies to meet the cost of carrying this very important board, the Workers' Compensation Board. I am sure some measures can be taken internally by the board to save a considerable amount of money, to improve safety standards on the job and to make some significant improvements.

In regard to the settlements these injured workers are going to have to have, however, to give them adequate living standards during a period of injury, whether it be relatively brief or some considerable length of time, with the changes in cost that are occurring in our society today I wonder whether industry is going to be able to carry that cost strictly on its own.

When one looks at the size of the unfunded liability, particularly as it has built up in recent years, when we are trying to cover that as well as meet–

Mr. Martel: The Tories underassessed them for five years; they reduced the amount for years. My friend should not play that game.

Mr. Stevenson: I am sure the member for Sudbury East has all the answers.

The burden on industry is quite significant; I think the people who are investigating the situation are going to have to take a very serious look at some outside financing, at least in the short term, to keep the board in an adequate financial position.

10:10 p.m.

In the area of assessment rates, I and my party are strongly in favour of experience rating. I believe that the good employers have to receive some benefit for the extra care they may take in making their work place a safer environment in which to work and in carrying on good programs of worker training to assist with the increase in safety procedures in that work place, whether it employs 200 people or one person. Their assessments have to reflect those programs and, it is hoped, encourage everyone, employers and employees, to make the necessary changes to take extra care in dealing with some of the exercises and procedures that have to be carried on in the many varied work places in Ontario.

I have a number of other items, but many have been covered already and I do not know that I need to take the time to go back over them.

Of course there are some comments one could make. I believe the member for Lincoln (Mr. Andrewes) intends to speak later on some aspects of the report of the Ontario Task Force on Health and Safety in Agriculture. I do not want to steal any of the thoughts he may wish to bring forward in his discussion. I will say only that there are some good ideas there on improving safety on our farms in Ontario. If legislation is brought in to retrofit some of our structures and equipment on farms in Ontario, I hope financial assistance is made available to the farmers to put the new safety equipment in place.

Something as simple as a rollbar is easy to retrofit on a tractor that is a fairly recent model; however, to retrofit a rollbar on a tractor that was built in 1950 is difficult, particularly for some of the older pieces of equipment that did not have the three-point hitch hydraulic lift. Many of those older tractors are boarded from the back. If we are going to put safety equipment around the

operator we are almost going to have to build in a ladder to get the operator on to the equipment.

The same goes for some of the safety equipment on silos and so on. It is easy to install them at the time of construction; but in some situations it is much more difficult to install at a later time.

With that, I will bring my discussion of this report to a close. I enjoyed the opportunity to take part in the review of the annual report and I will be watching for changes in the future related to some of the recommendations in the report.

Mr. Martel: I do not have all the answers, but I want to say one thing to my friend who just sat down: the answer is reducing accidents. The people in this province who can make that happen are the very people who fight health and safety every day of the week. They refuse to bring it in. They are responsible for it under the act and they fight it every inch of the way.

If we started to assess for the people who are sick, not for the accidents but for the illnesses that occur in the work place, industry would be out of business tomorrow. They are the ones who have charge of the Occupational Health and Safety Act. They are the ones, in the cases that come across my desk, who resist every day of the week. Maybe the member would like to come and share them with me; I will show them to him.

Mr. Stevenson: Perhaps the member would like to come and share some of mine.

Mr. Martel: I can talk about farmers too, because I was here when we brought in the Occupational Health and Safety Act and they did not want to be included. The recent report vindicates those of us who argued they should be in, because the statistics about the number of accidents are overwhelming. The whole thing is based on an assessment of the number of accidents.

When I hear the suggestion that we are going to subsidize industry, I have to say that if industry wants to reduce its rates it has to help reduce the number of accidents. It does that by a meaningful health and safety program involving the workers on one hand and the employer on the other to reduce those accidents. We are not going to reduce them one iota if we subsidize them to help them pay the freight that society is paying now.

I get sick and tired of the gobbledegook about poor industry. I want to tell the member, if he wants to see rates reduced the number of accidents must be reduced.

Compensation is not a very complex thing. I think the board makes it unduly complicated. There are two factors. When one gets hurt one needs income and one needs retraining. Maybe there are three factors; one also has to be repaired physically. We should deal with those three things.

My friend is talking about a universal sickness and accident policy. Although he does not want to use those words that is what he is advocating. The day society starts to kick in, based on the original intention of the Workers' Compensation Act, then we eliminate the Workers' Compensation Board and move to universal sickness and accident insurance.

I never cease to be amazed by these Tories. This is the free enterprise party that is saying: "Subsidize again. Give industry some more. There is not enough; bring a truckload in." However, I do not hear much about cutting down accidents. They seem to think if we stop the silliness on occupational health and safety that is how we will deal with it.

I want to deal with only one aspect of the board. We put many things in the report, but I want to deal with a problem area. I know what Professor Ellis is doing and I know the moves made by the government, but they attack the problem in the wrong place. The problem is not with the appeal system per se, although that will improve things somewhat. The primary level of adjudication is what is driving all of us crazy.

When I speak about the compensation board I have difficulty even being rational about it any more. After 19 years of fighting the board I have reached the point where I am convinced it deliberately sets out to find ways to take people off compensation. No one can convince me of anything different.

Let me give an example. A young man worked in the construction industry for 15 years. He never had a test on the equipment. He did not have earmuffs. He took up skeet shooting one summer. He is industrially deaf. What did the compensation board blame it on? Guess. The board said it was skeet shooting for one summer.

It has to be a perverse system that can find that reasoning to eliminate someone from compensation. The problem for all of us is we cannot even get a handle on the primary adjudication to try to find out why this continues to occur. There is not even a pattern. The only pattern is the inconsistency. There is nothing that is consistent at the board except the inconsistency at the primary level of adjudication. Until we deal with that we can put in all the nice structures we want without basically improving things.

I say to the new chairman, until we get at the root of what is wrong at the primary level of

adjudication we are never going to resolve this problem. I suggest to him there are some problems at that level; and some are in the medical staff. Some people have talked around the issue. We need some competent doctors at that board who are specialists in various fields so we get the best medical information and assessment available. That is not happening. We get gobbledegook.

10:20 p.m.

The new chairman sat at the board recently at the hearings, and Mr. Corbeau, a lovely fellow whom I have known for years, said, "No one is cut off." One of the areas of major concern is the family physician or treating specialist and the board doctor. Mr. Corbeau had the audacity to say that when there was a difference of opinion the worker was never cut off without first having being seen by the board doctor and examined. That is a bunch of hokum.

If I asked every member in this Legislature to bring five cases forward in which the board doctor said that the man was to be cut off, regardless of what the family or treating physician had said, and without having been seen by him, each and every member could find five cases tomorrow. The board will sit there and argue with us, when all of us in this Legislature know that to be the case. That is part of the problem at the board. I do not know whether they can see the forest for the trees. This all deals with that primary level of adjudication.

One might say, "It is no longer at that stage." It is if one has a man coming back with an aggravation. The easiest thing to resolve should be aggravation of a former accident. It is now a nightmare. I would like someone to tell me some day what the hell it is at the primary level of adjudication and why we can have every cockeyed, stupid, idiotic reason for it.

There are probably a thousand of us out here trying to help workers. Why? That is the role of the board and its employees; it is not the role of members of the Legislature. It may be in the odd complicated case. Why are so many of us so deeply involved? It is because of the adjudication system, the primary level.

We put all this nice airy-fairy stuff in. As I said to Professor Ellis, it reads like a lawyer's nirvana. That was the best system in the board. If one were going to pick something in the board that was pretty good it was going before the adjudication level, particularly the final level.

However, that is not where the problems are. Sure, they change some and they reverse them. The minister and I chatted about it tonight. They reverse a fair number. The question is why are improper decisions made in the first place; and no one wants to deal with that.

The act in itself is not a bad act. There could be some changes here and there, particularly in the meat chart and the rating of disability, but by and large it is not a bad act. I prefer total–

Mr. Haggerty: Yes, but there is another aspect; the board's policy and the adjudication policy they have.

Mr. Martel: That is the thing that is wrong: the policy book, which no one can understand except Al MacDonald. I am not sure; maybe Doug Cain understands it.

I will watch. I have two minutes to go. I am being instructed to make this brief.

That is a key area. We are going to have to look at the medical staff and at what is going on out in the field. The board says it does not tell staff to find reasons; just the opposite, give the worker the benefit of the doubt. If the board wanted to undertake one thing that would be progressive, it would be to find out why the primary level of adjudication is so screwed up.

The second thing I want to say to my friend the chairman and to the people who are with him is that I want to find out once and for all whether I am right. Day after day, case after case, the family doctor says he is not ready to go back to work and the attending specialist says he is not ready to go back to work, but somebody at the board says he is and he goes back to work. At least he is told he is going back to work. Members know that Mr. Corbeau said this does not happen without examining that worker first. That is bunk, and I hope the chairman will eliminate that kind of response.

If we want to improve the board, retrain them. There is very little sense in our having a young man or a young woman of 30 injured and remain on partial disability and welfare for the rest of his or her life. That is a real cost to society.

One has to take the time to retrain them. I remember Art Darnbrough saying to us, "We spent $750 million last year sending people to post-secondary education." Is that not wonderful? That is $750,000 of the board's budget for some 300 people. As I said to Mr. Darnbrough on that occasion, "The total cost per year for those of us in the Legislature who send our kids to university would be much higher that that." We are talking about injured workers. That is $750,000 in post-secondary education. Are we saying that every worker is a dumb slob and he cannot accept university training? We are going

to have to move in that field. That has to be strengthened.

I am running out of time, so I want to make one point about the functional assessment team. I was pleased with my friend the good doctor who played a major role in getting the committee to accept that. That is an area that will reduce, to some degree, some worker receiving a letter from someone that says: "You are going back to work. You are ready to go back to work." Somebody either looked at a letter or some doctor in a hurry did not have time to assess the guy properly and said, "You are ready to go back to being an underground miner."

Last week, a worker who cannot lift, walk on rough ground or do anything that makes him bend over to lift anything was told to go back to work. He has five different restrictions and the board told him to go back to work. He worked for Ontario Hydro in construction. He was up on a post, the post fell and landed on top of him. With all these restrictions, the board told him to go back to some form of modified work. Tell me what modified work is for that guy. It blows my mind.

With those remarks, I simply say that we have a report before the House which I hope the board will deal with seriously. I charge my friend the minister with making sure that some of this is carried out, because if it is we will not have as many problems a year hence. I hope he takes it seriously. I wish I had more time to do a bigger rant.

Mr. Speaker: Does any other member wish to participate in the debate?

Hon. Mr. Wrye: I will be brief, as I note the hour.

I wish only to say that for our part we have begun to move in the right direction. I am pleased to note the tribute that has been paid to my colleague the member for Humber, who I think deserves a great deal of credit for his work on the committee, as do all members on the government side. I want to be fair. All members of the committee deserve a great deal of respect for the work they have put into this report and its 40 recommendations. I know Dr. Elgie and the board are looking very carefully at each and every individual recommendation.

I note only in passing, as I conclude a very short remark, that the board and the government will be looking at and focusing on the whole area of vocational rehabilitation, particularly in the months to come. It is an area that we have neglected in some substantial effect for far too long.

As a minister and as a member of the executive council of the government, I can assure the honourable members that we are deeply concerned about the lack of direction that vocational rehabilitation has had in the past. We want to work with the corporate board and with the chairman to ensure that vocational rehabilitation becomes much more of a reality for injured workers in the months and years to come.

With those remarks, if it is appropriate, I would move the adoption of the recommendations of the standing committee.

Mr. Speaker: That motion has already been placed by Mr. Laughren. The motion is that the report be received and adopted.

Motion agreed to.

The House adjourned at 10:30 p.m.

CONTENTS

Thursday, January 16, 1986

Report

Standing committee on resources development, Mr. Laughren, Mr. Wrye, Mr. Polsinelli, Mr. Gillies, Mr. Mackenzie, Mr. Henderson, Mr. Ferraro, Mr. Stevenson, Mr. Martel, agreed to 3165

Other business

Adjournment 3188

SPEAKERS IN THIS ISSUE

Cureatz, S. L. (Durham East PC)
Edighoffer, Hon. H. A., Speaker (Perth L)
Ferraro, R. E. (Wellington South L)
Gillies, P. A. (Brantford PC)
Haggerty, R. (Erie L)
Henderson, D. J. (Humber L)
Kerrio, Hon. V. G., Minister of Natural Resources and Minister of Energy (Niagara Falls L)
Laughren, F. (Nickel Belt NDP)
Mackenzie, R. W. (Hamilton East NDP)
Martel, E. W. (Sudbury East NDP)
McGuigan, J. F. (Kent-Elgin L)
Morin, G. E., Deputy Chairman and Acting Speaker (Carleton East L)
Morin-Strom, K. (Sault Ste. Marie NDP)
Polsinelli, C. (Yorkview L)
Stevenson, K. R. (Durham-York PC)
Treleaven, R. L., Deputy Speaker and Chairman (Oxford PC)
Wrye, W. M. (Windsor-Sandwich L)

JUL 16 1986